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FBIS-EAS-93-123 CONTENTS *29 June 1993*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

- Cairns Group Urges Uruguay Round Completion *[Tokyo KYODO]* 1
  - Group Head on Trade Pact Prospects *[Bangkok BANGKOK POST 25 Jun]* 1

NORTHEAST ASIA

Japan

- Editorials View U.S. Missile Attack on Iraq *[KYODO]* 3
- Quayle: Private Sectors Important to Relations *[KYODO]* 3
- Tokyo, U.S. Fail To Agree on Trade Framework *[KYODO]* 4
  - Differences Over 'Basic Points' *[KYODO]* 4
  - FTC Warns Against Setting Targets *[Tokyo TV]* 4
  - Mori Downplays Lack of Pact *[KYODO]* 5
  - Hayashi on 'Mutual Concessions' *[KYODO]* 5
- Tokyo To Stress N-S Dialogue at G-7 Summit *[KYODO]* 5
- Cairns Chairman Urges Tariffication Acceptance *[KYODO]* 6
- Reporters Poll Russians on Island Issue *[KYODO]* 6
- SDF Troops Plan Cambodian Mid-Sep Withdrawal *[KYODO]* 7
- Muto Leaves for Talks With ROK Counterpart *[KYODO]* 7
  - Concerned About DPRK's Missiles *[Tokyo TV]* 7
- Shots Fired at Unification Church Headquarters *[KYODO]* 8
- Indian Finance Minister Singh Continues Visit 8
  - Meets With Miyazawa 29 Jun *[KYODO]* 8
- Sendai Mayor Arrested for Contractor Bribes *[KYODO]* 8
  - Interrogated by Investigators *[Tokyo TV]* 9
  - Cause for Heightened U.S. Pressure *[KYODO]* 9
  - Tokyo To Disqualify 4 Firms *[KYODO]* 9
- Business Urges Review of Political Donations *[KYODO]* 10
- JNP Not To Attend Opposition Summit *[KYODO]* 10
  - Sakigake Also Rejects Invitation *[Tokyo TV]* 11
  - Opposition Leaders Comment *[Tokyo TV]* 11
- LDP Puts Priority on Anticorruption System *[KYODO]* 12
- Private Organizations View Upcoming Election *[Tokyo TV]* 12
- Kuranari, Hamada Decide To Retire From Politics *[KYODO]* 12
- Survey: LDP 'Unlikely To Win a Majority' *[KYODO]* 13
- SDPJ Leader on Differences With LDP Policies *[KYODO]* 13
- Feature Discusses English Names of New Parties *[KYODO]* 14
- Results of Tokyo Assembly Elections Published *[KYODO]* 15
- Judges Unable To Obtain Sagawa Owner Testimony *[KYODO]* 15
- New Vice Finance Minister Holds News Conference *[KYODO]* 15
- Agency To Overhaul Computer Software Laws *[KYODO]* 16
- Survey: Few Dealers Want To Sell Foreign Cars *[KYODO]* 16
- MITI Reports 20-Month Production Drop 'Streak' *[KYODO]* 17
- Ratio of Job Openings to Seekers Falls *[KYODO]* 17
- Carbon Dioxide Emission Rate Said Slowing *[KYODO]* 18

North Korea

- 'Contemptible' U.S. Strike on Iraq Reported *[Pyongyang Radio]* 18
- Pyongyang, U.S. Agree to 14 Jul Geneva Talks *[Pyongyang Radio]* 19

Envoy to France Interviewed on Talks With U.S. *[Pyongyang Radio]* 19
Paper: Seoul 'Increasing Confrontation' *[KCNA]* 19
Daily Denounces South's 'Full Combat Readiness' *[KCNA]* 19
Malaysian Special Envoy Arrives in Pyongyang 20
  Foreign Minister Meets Envoy *[KCNA]* 20
  Kim Yong-nam Hosts Banquet *[KCNA]* 20
  Malaysian Receives DPRK Order *[KCNA]* 20
  Minister, Envoy Hold Talks 27 Jun *[KCNA]* 20
  Envoy Presents Gift for Kim Il-song *[KCNA]* 20
  Presents Gift for Kim Chong-il *[KCNA]* 21
  Kim Il-song Receives Envoy 28 Jun *[KCNA]* 21
Chinese Soldiers Rescue North Korean Children *[KCNA]* 21
'Comfort Girl' Testifies at Human Rights Meeting *[KCNA]* 21
Kim Il-song Greets Sihanouk on Military Post *[KCNA]* 22
Afghan President Receives DPRK Envoy 23 Jun *[KCNA]* 22
Yang Hyong-sop Meets Belarusian Leader *[Pyongyang Radio]* 22
Kim Il-song Receives Message From Mubarak *[KCNA]* 22
Agrotechnical Team Meets Mozambican Leader *[KCNA]* 23
Envoy Pays Farewell Visit to Ghanaian President *[Pyongyang Radio]* 23
Kim Il-song Sends Message to OAU Assembly *[KCNA]* 23
Daily: NAM Must Be Expanded, Strengthened *[KCNA]* 23
Foreign Papers: Kim Chong-il 'Military Genius' *[KCNA]* 24
Units Reach 1st-Half Production Targets *[KCNA]* 24
Daily Lauds Development of Socialist Society *[KCNA]* 25
Party Leadership Needed in Economic Building *[Pyongyang Radio]* 25
Daily Stresses Indoctrination in Principles *[Pyongyang Radio]* 27
KCNA Reviews 29 Jun Pyongyang Press 29

South Korea

Kim Il-song 'Rebuked' Son for NPT Withdrawal *[Seoul Radio]* 30
Paper: Israeli, DPRK Officials Meet in Beijing *[YONHAP]* 30
  Officials: 'No Results' From Talks *[YONHAP]* 30
Seoul, U.S. Agree on Nuclear Issue Efforts *[YONHAP]* 30
'Source': U.S. To Urge IAEA Inspections of Koreas *[YONHAP]* 31
'Sources': U.S. May Impose Sanctions on DPRK *[YONHAP]* 31
Daily Criticizes U.S. for Acting Against Iraq *[CHOSON ILBO 29 Jun]* 32
BAI Asks U.S. Firms To Document Yulgok Project *[YONHAP]* 32
U.S. To Pressure Seoul To Open Cell Phone Market *[YONHAP]* 33
Seoul, Tokyo To Counter DPRK Nuclear Efforts *[KCNA]* 33
More on Japanese Reporter Receiving Military Data 34
  Ministry Releases TV Producer *[Tokyo KYODO]* 34
  Prosecution Books Correspondent *[YONHAP]* 34
  Journalist Suspected of Passing Data *[YONHAP]* 34
  Journalist Said To Have Visited DPRK *[YONHAP]* 35
Foreign Minister Meets Czech Counterpart in Seoul *[Prague CTK]* 35
  Prague Willing To Sell Nuclear Material *[Bratislava Radio]* 35
PRC Requests Loan Extensions for Nine Projects *[YONHAP]* 35
Exports to PRC Account for 8.3% of Jan-Apr Total *[YONHAP]* 36
Firms Seek To Commercialize Russian Technology *[THE KOREA HERALD 26 Jun]* 36
Seoul, Warsaw Sign Technology Cooperation Pact *[YONHAP]* 36
Keating Visit to ROK, Economic Links Discussed *[Melbourne Radio]* 37
Foreign Minister Explains New Foreign Policy *[Seoul TV]* 37
Seoul Wants APEC Conference Upgraded to Summit *[THE KOREA HERALD 29 Jun]* 40
Former Army Chief Terms 12 Dec Action 'Coup' *[YONHAP]* 41
BAI Starts Peace Dam Probe With NSP Inspection *[YONHAP]* 41

SOUTHEAST ASIA

Burma

Khin Nyunt Warns Against Politicizing Convention *[Rangoon TV]* 42
Minister Returns From Malaysian Conference 27 Jun *[Rangoon Radio]* 42

Brunei, Malaysia & Singapore

Malaysia

UMNO Youth Criticizes U.S.' Baghdad Strike *[BERNAMA]* 42
Purchase of Russian, U.S. Aircraft Announced *[BERNAMA]* 43
    Daily Views Purchase *[NEW STRAITS TIMES 26 Jun]* 43
UNTAC Peacekeeping Troops Return From Cambodia *[BERNAMA]* 44

Singapore

Scientific Cooperation Committee Formed With PRC *[Singapore Radio]* 44
Czech Foreign Minister Arrives on Visit *[Singapore Radio]* 44

Cambodia

Son Sann: Khmer Rouge Needed in New Government *[Tokyo KYODO]* 44
Ranariddh: KR Not Seeking Role in Government *[AFP]* 45
VGNUFC Supports Reconciliation Plan 46
Indonesia Donates Medical Aid *[Phnom Penh Radio]* 48
Interim Government Decides on New Flag, Anthem *[AFP]* 48
Price Rises, Weak Currency Characterize Economy *[AFP]* 48
Foreign Bank Leaves Phnom Penh, Blames Regime *[Singapore BUSINESS TIMES 25 Jun]* 49

Indonesia

Reaction to U.S. Strike on Iraqi Facility 49
    Jakarta Expresses 'Regret' *[Jakarta Radio]* 49
    MP's Call Attack 'Unjustifiable' *[ANTARA]* 49
    Suharto Expresses 'Concern' *[ANTARA]* 50
Minister Hopes Japan Does Not Reduce Aid *[THE INDONESIA TIMES 24 Jun]* 50
Suharto Provides Humanitarian Aid to Cambodia *[Jakarta Radio]* 51
Daily Expresses Hopes for Human Rights Meeting *[THE JAKARTA POST 14 Jun]* 51
Gusmao Hands Clemency Plea to Suharto *[THE INDONESIA TIMES 22 Jun]* 52
Attorney General Defends Antisubversion Law *[THE JAKARTA POST 17 Jun]* 52

Laos

Thai-Lao Border Subcommittee Meets 22 Jun *[Vientiane Radio]* 52
Checkpoint Opened on Border With Thailand *[Vientiane Radio]* 53

Philippines

U.S. Attack on Iraq Termed 'Isolationist' *[THE MANILA CHRONICLE 29 Jun]* 53
Ramos Seeks Assurance on U.S.' Asia Policy *[THE MANILA CHRONICLE 28 Jun]* 54
'Iran-Based Fundamentalists' Seek Rebel Ties *[PHILIPPINES DAILY INQUIRER 26 Jun]* 54
NDF Said To Reject Government Amnesty Program *[Manila Radio]* 55
Investment Rises in First Five Months *[MANILA BULLETIN 26 Jun]* 55
Singaporean Officers Comment on Joint Exercise *[Quezon City TV]* 55

Thailand

Prasong: No Stand on U.S. Raid; Regrets Deaths *[Bangkok TV]* 56
    Extra Security for U.S., Iraqi Embassies *[BANGKOK POST 29 Jun]* 56

Paper Criticizes U.S. Strike *[THE NATION 29 Jun]* 56
Ranariddh To Include KR in Cambodian Army *[Bangkok TV]* 57
Vows To Honor Trade Agreements *[THE NATION 29 Jun]* 57
'Offensive' Ordered Against Cambodian 'Bandits' *[BANGKOK POST 29 Jun]* 58
Senate Passes Bill Curbing Military Powers *[BANGKOK POST 26 Jun]* 58
Army Chief Denies Military Pressure on Politicians *[BANGKOK POST 29 Jun]* 59
Chuan 'Convinced' No More Coups Possible *[THE NATION 29 Jun]* 59
Disgraced Military Clique 'Powerful as Ever' *[THE SUNDAY POST 27 Jun]* 61
Democratic Groups Critical of Prime Minister *[THE SUNDAY POST 27 Jun]* 62
Corruption Poll Findings Upset Politicians *[THE NATION 28 Jun]* 63
Report on Helicopter Purchase Angers Army Chief *[THE NATION 29 Jun]* 63
Deputy PM Accuses Banks of Interest Rate Collusion *[BANGKOK POST 26 Jun]* 64
Workshop Discusses GSP, Trade Laws *[THE NATION 22 Jun]* 65

Vietnam

Ministry Spokesman Regrets U.S. Attack on Iraq *[VNA]* 66
Hospital Development Contract Signed With U.S. *[Hanoi International]* 66
Vo Van Kiet Continues European Tour 66
More on Activities in France *[Hanoi Radio]* 66
QUAN DOI NHAN DAN Editorializes *[Hanoi Radio]* 67
Premier Visits Communications Factory *[Hanoi International]* 67
Main Discussion Topics Reported *[Hanoi Radio]* 67
Concludes Visit to France *[VNA]* 68
Activities in Germany Reported *[Hanoi Radio]* 68
Thai Vice Prime Minister Reaffirms Cooperation *[VNA]* 68
Thai Fishery Department Delegation Visits *[VNA]* 68
War Veterans Delegation Visits PRC *[VNA]* 68
More Reportage on National Assembly Meetings 69
Business, Bankruptcy Laws Discussed *[Hanoi Radio]* 69
29 June Proceedings Reported *[Hanoi Radio]* 69
Vo Van Kiet Visits Quang Binh Fertilizer Plant *[Hanoi TV]* 70
Vu Oanh Attends Science-Technology Seminar *[Hanoi TV]* 70
Energy Sector's Production Figures Revealed *[Hanoi Radio]* 70
Winter-Spring Crop Harvest Figures Reported *[VNA]* 71
Soldier Receives Death Sentence for Murder *[Hanoi Radio]* 71

AUSTRALASIA

Australia

Cabinet Lifts 'Trade Sanctions' Imposed on Libya *[Melbourne International]* 72
Keating Pessimistic on Wool Scheme With PRC *[Melbourne International]* 72
Keating: Reorientation Toward Asia 'Correct' *[Melbourne International]* 72
Air Force To Buy 15 U.S. Fighter Jets *[Melbourne International]* 72
Submarine Sales in Region Under Discussion *[AFP]* 72

Fiji

Premier Denies Breaking Promises to Labor *[Melbourne International]* 73

New Zealand

External Relations Ministry To Change Name *[Melbourne International]* 73

Solomon Islands

Premier To Meet Visiting PNG Foreign Minister *[Melbourne International]* 73

Cairns Group Urges Uruguay Round Completion

OW2806102993 Tokyo KYODO in English 0910 GMT 28 Jun 93

[Text] Tokyo, June 28 KYODO—The Cairns group of agricultural trading nations will not accept a conclusion to the Uruguay Round of trade talks unless its members are satisfied that agricultural issues are resolved, the group's Chairman Peter Cook said Monday [28 June]. Cook, who is Australia's trade minister, told a press conference in Tokyo that the 14 members of the Cairns group are not likely to accept any Uruguay Round agreement brokered in Geneva this year unless agriculture is an integral part of the package.

Cook said that after seven years of negotiations and three successive summit meetings of the heads of the Group of Seven (G-7) industrial nations, each of which has ended with a promise to work toward a conclusion to the Uruguay Round, there is still no satisfactory conclusion to agricultural issues within the round. "We are saying that seven years ago, it started with agriculture being a part of the package, and when it concludes in Geneva in 1993, it has got to conclude with agriculture as part of the package also," Cook said.

Cook met earlier on Monday with Japanese Prime Minister Kiichi Miyazawa in a Cairns group deputation which included Argentine Secretary of Agriculture, Livestock and Fisheries Felipe Sola, and Thai Deputy Prime Minister Suphachai Phanitchaphak. They handed Miyazawa a copy of the declaration the Cairns group's 12th ministerial meeting drew up in Bangkok on Sunday.

Miyazawa, who has called a general election for July 18 following a vote of no-confidence in his government in the Diet, will chair the G-7 summit in Tokyo from July 7 to 9. The declaration urges the G-7 to use the summit to give impetus toward a conclusion to the Uruguay Round, but stresses that "without a substantial outcome in agriculture the round cannot and will not conclude."

But in strong language at the press conference, Cook appeared to go even further than the declaration. "All the Uruguay Round participants must agree if the round is to be successful," he said. "And we will not be joining the agreement if there is no satisfactory agricultural package."

Cook said the Cairns group represents 130 million farmers on five continents. He said domestic political and economic problems afflicting many of the heads of government due to attend the G-7 summit should not affect the meeting's determination to work for a conclusion to the Uruguay Round.

"All the leaders of the G-7 face one clear economic imperative," Cook said. "And that is that the global economy needs stimulation. "One single thing the G-7 leaders can give to the global economy is a successful conclusion to the Uruguay Round," he said.

Group Head on Trade Pact Prospects

BK2906005093 Bangkok BANGKOK POST in English 25 Jun 93 p 17

[Interview with Peter Cook, trade minister of Australia and chairman of the Cairns Group, by Peter Mytri Ungphakon—date, place not given]

[Text] Australian Trade Minister Peter Cook, chairman of the Cairns Group whose ministers meet in Bangkok this weekend, acknowledges that the Japanese Government's defeat in Parliament is a setback for the group's hopes of concluding world trade talks this year. But he expresses confidence that candidates in next month's Japanese election will campaign in favour of a speedy conclusion to the deadlocked Uruguay Round negotiations.

He said he still saw reason to hope that the round could be concluded before the end of this year.

The Cairns Group hopes that the meeting in Bangkok tomorrow and Sunday will keep up the pressure on the world's leading economies to conclude the seven-year-old round this year.

The immediate objective is to back the proclaimed objective of leaders of the Group of Seven (G7) top industrial nations to reach agreement on how to conclude the round this year at their summit in Tokyo early next month. And for once, a genuine momentum appears to be building up.

But in the past two weeks the group's confidence has been shaken. First came the fall of the Japanese Government and the calling of snap elections that has left the G7 summit's host as a mere caretaker. The chances, already slim of Japan agreeing to replace its rice import ban with tariffs seem to have disappeared and with it the possibility that Japan will agree to a G7 deal on the Uruguay Round.

"The timing of the Japanese election is awkward," Senator Cook acknowledged.

Then, this week Canada slapped tariffs on imports of boneless beef causing an outcry from Australia and New Zealand. All three are Cairns Group members supposedly working against protectionism and subsidies in agriculture, and Canada is normally the Cairns Group's voice in G7 meetings.

"There's plenty of reason for annoyance and frustration," Mr Cook said. But these difficulties should be kept in perspective and should not be allowed to override both the need for an agreement and the factors that are working in favour of the round's conclusion this year.

"The prize is there. It is achievable. It is within our grasp to achieve this," he said.

His optimism is based on:

—the weaknesses of all the leading economies that has created an awareness that world trade and the global economy need the lift that is expected from an Uruguay Round deal;
—the apparent determination of the new Clinton administration in the United States to seek agreement this year;
—Congress's approval of a renewed "fast track" negotiating mandate that will arm US President Bill Clinton with the authority to conclude a deal at the Tokyo G7 summit;
—a greater willingness among European countries, particularly the new French Government, to accept agricultural liberalisation, and
—this week's resumption of talks between trade ministers of the four key economies involved in the Uruguay Round, the so-called quadrilaterals, this time in Tokyo.

These add up to a "unity of purpose" and an enhanced ability to reach agreement, he said.

The fact that special interest groups who dislike some parts of the proposed Uruguay Round agreements—such as farm trade reform—are gearing up for protests is also an indication that a breakthrough is near, Senator Cook said. Even in Japan, Mr Cook said, the next government was likely to share the growing conviction among other countries that a speedy Uruguay Round pact was needed for economic recovery.

He accepted that if the next Japanese Government turns out to be a coalition—as some analysts are now predicting—its ability to reach decisions on trade issues could be slowed down.

"But these things are in the realm of speculation right now," he said.

The Cairns Group—Argentina, Australia, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Thailand and Uruguay—wants a swift end to the US-EC agricultural subsidy war that is blamed for over-supply and depressed prices in world markets. At the same time, members want to make sure that any deal struck by the economic superpowers also encompasses the interests of smaller countries.

This weekend's Cairns Group meeting is the fourth in successive years to be held immediately before the annual G7 summit.

On each of the previous occasions, the Cairns Group issued a statement urging the G7 to break the Uruguay Round deadlock on agriculture speedily. Each of these was followed by a G7 statement assuring the world that the seven—the United States, Japan, Canada, Britain, France, Germany and Italy—were committed to a swift Uruguay Round agreement. And each time there was little to show in terms of concrete agreement.

So will this Cairns Group meeting come up with some new strategy, or will it simply be going through the motions once again? At the most pessimistic level, that could be the interpretation, Mr Cook conceded. But even going through the motions is important, he said.

"That's a necessary thing to do because if you didn't do it, it would look like a retreat."

Japan

Editorials View U.S. Missile Attack on Iraq

OW2906035493 Tokyo KYODO in English 0328 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Major Japanese newspapers called on the United States to use more restraint in using its military in editorials Tuesday commenting on the U.S. missile attack on Baghdad last Saturday.

The ASAHI SHIMBUN said President Bill Clinton might have used the attack to revive his support rating by appealing to Americans' self-confidence as a superpower.

"The U.S. appears to have lost self-control on this sort of exercise of military forces," the leading national daily said.

If incidents of this kind continue, it "will cast a shadow over U.S. ideology declaring human rights and democracy," the ASAHI said.

The YOMIURI SHIMBUN, the nation's largest-circulation daily, supported the attack, however, saying, "the government of President Sadam Husayn should stop provocation against the United States and the international community."

"The U.S. action is likely to be within a range permitted by the rule of international society, including the UN Charter, as the nation being targeted by Iraq's terrorism," the YOMIURI said.

Washington maintains that the strike was launched in retaliation for an Iraqi Government plot to assassinate former President George Bush during a visit to Kuwait in April.

The ASAHI SHIMBUN worried that "the attack will unfavorably affect the Middle East peace talks by putting a damper on the creditably of the Clinton administration."

The MAINICHI SHIMBUN regretted that many civilians were killed in the strike at Iraqi intelligence headquarters. "Because of this, their relatives, friends and many Iraqi people no doubt felt more hatred toward the U.S.," the MAINICHI said.

Before exercising military force against foreign nations, it is better to make sincere efforts "to solve the issues through nonmilitary methods and seek international understanding and cooperation," the MAINICHI said.

The NIHON KEIZAI SHIMBUN, a leading economic daily, said the strike lacked scrupulous procedures to acquire full support from other nations. "The unilateral U.S. action has not really cleared up anything, since an internationally cooperative line has been established through the United Nations for dealing with Iraq," the NIHON KEIZAI said.

Quayle: Private Sectors Important to Relations

OW2306121993 Tokyo KYODO in English 1003 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Former U.S. Vice President Dan Quayle on Wednesday called on the private sectors of Japan and the United States to take the initiative in enhancing bilateral ties and reducing tensions instead of relying on policy makers.

"Trade... is too important to leave just to the politicians," Quayle said in a speech at Hotel Okura in Tokyo. "It is going to take more than politicians to resolve this."

Sometimes policy makers are unable to reduce tension and actually increase it instead, because of the particular issues involved and political inflexibility, Quayle suggested in the speech to an audience of about 200 academics, foreign policy experts and business executives. The lecture session was sponsored by the Japan Institute of International Affairs, an affiliate of the Foreign Ministry.

The private sectors can play a major role in resolving problems and help to develop new groups "that will understand and appreciate the importance of alliance and linkage" between the two countries, he said. That can be done by encouraging more small and medium-sized U.S. companies to do businesses in Japan, he said.

U.S. and Japanese companies could also remove political tension that emerges in bidding processes for particular projects by creating more joint ventures and by forming multinational bidding coalitions, he said.

The private sectors should also "try to figure out ways to get beyond bureaucracy and negotiators especially on controversial or sensitive issues."

He raised as an example problems involving airline routes and said if the airline companies in both countries "leapfrog the established process" and come to an agreement by themselves, respective governments would accept the outcome.

The former vice president said there are three pillars in the relationship between Japan and the U.S.—security, global partnership and economic development.

The three pillars have served well, and although there could be improvements, they should not be discarded, he said.

Quayle pointed out the importance of Japan-U.S. Treaty of Mutual Cooperation and Security, saying it has contributed to peace and stability of the Asia-Pacific region for decades. Quayle arrived in Japan on Tuesday for a five-day visit.

Tokyo, U.S. Fail To Agree on Trade Framework

OW2806150893 Tokyo KYODO in English 1456 GMT 28 Jun 93

[Text] Tokyo, June 28 KYODO—Japan and the United States on Monday failed to reach agreement after two-days of subcabinet-level talks on a new framework covering bilateral trade ties, Japanese and U.S. officials said. "We have not yet reached agreement on a framework," said Bowman Cutter, deputy assistant to the president for economic policy on the National Economic Council, told reporters in a press conference at the U.S. Embassy here.

Asked about an agreement between Prime Minister Kiichi Miyazawa and President Bill Clinton to have the framework in place by the July 7-9 summit of the Group of Seven (G-7) leaders in Tokyo, Cutter said, "It would be difficult, but not impossible to reach agreement before the summit."

Cutter declined to describe the substance of the meeting or to characterize positions taken by the two countries in line with a bilateral agreement to that effect.

"Our goal is to establish a new and enduring framework to resolve macroeconomic imbalances and market access problems that we all acknowledge are serious," Cutter said. He said the U.S. side "offered flexible proposals for the establishment of joint roles and for the joint review of progress."

"We believe that a framework based upon these ideas would offer substantial benefits, not only for the United States' and Japan's other trading partners, but also for the Japanese economy and the Japanese consumers," he said.

Asked if agreement can be reached before the summit, Cutter said, "Like many Japanese, many of us on this team are baseball fans and sometimes games go into extra innings. We think that the topics we are considering are difficult ones."

Koichiro Matsuura, Japanese vice foreign minister for international affairs, said at his ministry, "Despite considerable progress, further discussions are needed in some areas." Matsuura said both sides agreed to continue dialogue on the framework.

Asked whether the U.S. offered a revised proposal for setting numerical targets to measure progress in reducing Japan's huge trade surplus, another high-ranking Japanese Government official said, "I wish I could tell, but I can't." The official, who asked not to be identified, suggested Japan remained opposed to any kind of targets, saying, "We cannot depart from our logic."

The second round of the talks—the first were held in Washington on June 11-12—is aimed at working out a new framework to replace the structural impediments initiative.

Strenuous efforts will continue to reach broad agreement on the framework before the Tokyo summit, when Miyazawa and Clinton will meet again, the Japanese Government official said.

Differences Over 'Basic Points'

OW2906035393 Tokyo KYODO in English 0333 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Japan is not optimistic about the course of dialogue with the United States over a new framework for discussing trade issues, Chief Cabinet Secretary Yohei Kono said Tuesday. Negotiators of both countries, who failed to conclude a deal in two days of talks Sunday and Monday, should make further efforts to reach an accord by the time U.S. President Bill Clinton and Japanese Prime Minister Kiichi Miyazawa meet next week in Tokyo, Kono told a news conference.

Kono, the government's top spokesman, said Japan and the U.S. cannot reach an agreement due to differences over "very basic points" on the idea of a free market economy, adding he wants the U.S. side to understand these points.

A previous meeting in Washington earlier this month closed in a deadlock over a U.S. call for implementing benchmarks for measuring access to Japan's markets.

The concept for a new framework was suggested during an April meeting in Washington between Clinton and Miyazawa. The two leaders said the framework should be agreed before the July 7-9 Group of Seven (G-7) summit in Tokyo, but rifts emerged when the U.S. side proposed numerical targets be adopted to measure results gained from the new forum.

Kono said the stalled talks between Japan and the U.S. will not affect the G-7 summit because "it is a bilateral issue between the two countries." He also denied that Japan's political turmoil is behind the failure of the Tokyo-Washington negotiations.

FTC Warns Against Setting Targets

OW2906010693 Tokyo NHK General Television Network in Japanese 1095 GMT 28 Jun 93

[From "NHK News 7" program]

[Excerpt] [passage omitted] In connection with the U.S. proposal for setting trade targets, the Fair Trade Commission [FTC] has compiled a report indicating that setting such trade targets will cause a delay in strengthening the competitiveness of U.S. industries and result in additional trade friction. The report points out that if the government leads the expansion of Japan's imports by designating specific goods, this would impede free competition and cause losses to Japanese consumers. The report also points out that setting trade targets will cause a delay in strengthening the competitiveness of U.S.industries and trigger trade friction between Japan and its third trading partners who fear that the United States may deprive them of their opportunities for exports to Japan. In conclusion, the report warns against Japan's taking any measures to set trade targets.

Mori Downplays Lack of Pact

OW2906040893 Tokyo KYODO in English 0358 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Japan's trade minister said Tuesday the failure of Japan-U.S. talks to forge a new trade framework will not affect the upcoming summit of the Group of Seven (G-7) industrial nations.

International Trade and Industry Minister Yoshiro Mori told a press conference that the bilateral trade talks are not scheduled to progress in time for the summit in Tokyo on July 7-9.

The MITI chief termed the subcabinet-level talks, which concluded Monday without a pact, as "friendly and constructive, and producing a certain progress."

The new trade framework was first suggested in mid-April as a means of slimming Japan's persisting trade surplus when Japanese Prime Minister Kiichi Miyazawa met U.S. President Bill Clinton in Washington. But the U.S.'s strong demand for numerical benchmarks on Japanese imports has created a deep gulf between the two sides, with Tokyo arguing such an approach is tantamount to managed trade.

The latest round of talks, the second in a series following earlier consultations in Washington, also failed to bring the two sides closer.

Hayashi on 'Mutual Concessions'

OW2906030893 Tokyo KYODO in English 0258 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Mutual concessions are needed in Japan-U.S. talks on a new trade framework but Tokyo will not change its opposition to setting measurable benchmarks for imports, Finance Minister Yoshiro Hayashi said Tuesday. Hayashi, speaking at a regular press conference after the day's cabinet meeting, said a U.S. proposal to set such targets poses problems even from an "academic" viewpoint.

Referring to comments by U.S. officials that an agreement is unlikely to be reached before the July 7-9 Group of Seven (G-7) summit, or even before Japan's House of Representatives election July 18, Hayashi said Japan intends to continue dialogue with "utmost effort." He said negotiations are not always "yes or no," and there should be room for mutual compromises.

Japan and the United States held two days of working-level talks on the proposed new framework in Tokyo on Sunday and Monday but failed to come up with a major agreement, with the main difference being over numerical targets.

Turning to recent fluctuations of the dollar-yen exchange rate, Hayashi attributed the volatility to uncertainties stemming from Japan's political turmoil.

Tokyo To Stress N-S Dialogue at G-7 Summit

OW2306004393 Tokyo KYODO in English 2345 GMT 22 Jun 93

["News Focus" by Tim Johnson]

[Text] Tokyo, June 23 KYODO—Ahead of next month's summit of the world's seven richest nations, those less fortunate are looking to Japan to ensure the issue of development is not edged to the margins of the agenda. Foreign Ministry officials say Japan, as chair of the Group of Seven (G-7) summit July 7-9, is determined to "take the initiative" in steering attention to the economic plight of poor debtor nations.

Indeed, the burden on Japan to advance concerns of the developing world at the summit has increased in the wake of Indonesian President Suharto's apparently failed bid to address the G-7 in Tokyo on behalf of the 108-member Non-Aligned Movement.

"The time has come for us to consider how to help developing countries stand on their own feet and take off economically," said vice Foreign Minister Hisashi Owada in a recent newspaper interview. "We want to have a genuine discussion of development for the first time (at a G-7 summit)," he said.

Deputy Foreign Minister Koichiro Matsuura, Tokyo's chief summit organizer, said recent summits have largely neglected the issue of development, focusing instead on help for the former Soviet Union and Eastern Europe. Matsuura said Japan, as the world's most generous aid donor, is positioned to assume the leading role among the G-7 countries in bridging the gap between the two hemispheres—the advanced North and the developing South.

Officials said Prime Minister Kiichi Miyazawa will lay claim to that role by explaining to his summit counterparts a five-year scheme to recycle Japan's whopping trade surplus, provisionally called the "Funds for Development Initiative." Some 120 billion dollars in funds will be circulated to the developing world, including 70-75 billion dollars in Official Development Assistance (ODA), and the rest in the form of untied loans from the Export- Import Bank of Japan and trade insurance. But Japan's G-7 partners, facing budgetary constraints and suffering from "aid fatigue," are either unable or unwilling to follow suit by increasing their ODA, officials said.

Developing countries, meanwhile, no longer able to exploit East- West rivalry to their benefit, fear diversion of the world's limited aid resources and private financial flows to Eastern Europe and the former Soviet Union. In addition, officials said, there is serious concern over their crushing 1.4 trillion dollar debt burden and prevailing low commodity prices.

"We want to send a strong message to developing countries that we will not forget about them," said one official.

In an effort to avert a shift in the axis of conflict to the North-South divide, officials said Japan will urge its G-7 partners to agree to developing countries' calls for a "reactivation of North-South dialogue."

"We think relations between the developed and developing worlds must be reviewed once again," said Shinsuke Sugiyama, director in charge of the summit at the Foreign Ministry. "We will try at the summit to foster a mood for positive dialogue."

But despite Japan's commitment to draw the summiteers' attention to the North-South issue, some observers have cast doubt on Japan's sway over its G-7 partners—Britain, Canada, France, Germany, Italy and the United States.

"There is only so much that Asia or the developing world can expect from this club," former Malaysian diplomat Noordin Sopiee wrote in a recent Japanese Foreign Ministry publication.

Sopiee said the G-7 is "essentially a North Atlantic/Western European structure of rich nations, with one Asian member, whose leadership contribution is contained and whose economic weight is grudgingly noted but hardly recognized, either in terms of respect or decision-making. Japan is a member and nothing more."

Officials said Japan will seek G-7 endorsement of the idea that different types of aid should be carefully tailored to fit the stage of development of each recipient country, and extended in a coordinated manner with other economic instruments like trade, investment and debt relief.

Japan would view acceptance of that concept as validation of its own aid strategy, which has been criticized for its low grant ratio and its emphasis on official loans for infrastructure projects.

"No country has ever successfully developed on aid alone," said Sh[illegible]ichi Kitajima, director of the ministry's Aid Policy Division. He said private investment essential for development occurs only when sufficient infrastructure—ports, bridges, railways, highways—is in place.

"ODA should have a cataclysmic [as received] role in promoting investment and trade, thereby facilitating private flows of funds," another Japanese official said.

Cairns Chairman Urges Tariffication Acceptance

OW2906100793 Tokyo KYODO in English 0751 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—The chairman of the Cairns Group of Agricultural Trading Nations urged Japan Tuesday to accept the proposed tariffication of nontariff barriers for farm produce, Japanese officials said.

They said Peter Cook, Australia's trade minister acting as the group's chairman, told Jiro Shiwaku, Japan's vice farm minister for international affairs, that a Japanese acceptance of the scheme is necessary to bring the Uruguay Round of trade talks to a successful conclusion.

The officials quoted Cook as saying the Group of Seven (G-7) industrial nations, including Japan, should use their Tokyo summit early next month to give impetus toward a conclusion of the Uruguay Round by the end of this year.

Shiwaku replied, however, that the Japanese public would not accept the tariffication scheme, part of a final agreement brokered by the General Agreement on Tariffs and Trade (GATT) to settle the stalled Uruguay Round talks, the officials said.

Shiwaku pointed out that the United States and the European Community are moving to revise the GATT agreement, the officials said.

The Cairns Group comprises Thailand and 13 other nations.

In separate talks with Sozaburo Okamatsu, Japan's vice international trade and industry minister for international affairs, Cook also urged that the G-7 try to agree at the summit to conclude the Uruguay Round by the end of 1993.

Reporters Poll Russians on Island Issue

OW2806110493 Tokyo KYODO in English 1020 GMT 28 Jun 93

[Text] Sapporo, June 28 KYODO—Only 29 percent of respondents on a group of Russian-held islands off Hokkaido favor the return of the islands to Japan, according to a Japanese survey Monday .

Japanese reporters who visited the island chain, seized by Soviet troops at the end of World War II, said 47 of 163 people surveyed responded positively to the idea of the islands being returned to Japan.

The four islands have a total population of 25,000, and the survey covered 0.65 percent of the residents. The response gave Japanese a glimpse of islanders' attitude toward the territorial issue between Japan and Russia.

The survey said 25 islanders, or 15 percent of those polled, thought Russians and Japanese could coexist. It said 13 people, or 8 percent, believe the territorial issue will be resolved politically.

Other respondents could not imagine leaving the place of their birth, saying the islands belong to Russia and should not be returned.

The survey was conducted from June 6 to 10 for a story about visa-free visits to Japan by Russian residents on the islands. The reporters handed out questionnaires to Russians who joined a discussion group.

The territorial issue has bedeviled relations between the two countries. Japan has still to formally sign a peace treaty with Russia declaring an end to wartime hostilities, and has tied resolution of the issue to expanded Japanese aid to Russia in the wake of the collapse of the former Soviet Union.

The 163 respondents covered 42 residents in Kunashiri Island, 47 in Etorofu and 74 in Shikotan. The fourth islands group, the Habomais, is uninhabited.

The respondents were aged between 12 and 60. People favoring a return to Japan were mostly from Shikotan.

In the 1956 Japan-Soviet Joint Declaration, Moscow promised to return Shikotan and the Habomais to Japan.

Of the respondents, 16 people said they did not experience any particular inconvenience in daily life. Most people, especially in Shikotan, complained about a worsening economy, inflation, shortages in food, fuel and electricity, they said.

The survey said 139 people favored investment by foreign companies, while three were opposed.

SDF Troops Plan Cambodian Mid-Sep Withdrawal

OW2806033593 Tokyo KYODO in English 0249 GMT 28 Jun 93

[Text] Phnom Penh, June 28 KYODO—Japanese peacekeepers in Cambodia will begin to withdraw from their mission here on September 15, sources within the United Nations Transitional Authority in Cambodia (UNTAC) said Monday.

The 600 Self-Defense Forces (SDF) engineers deployed in Takeo Province to help with building highways and bridges will be divided into three groups to return home on September 15, 21, and 26, the sources told KYODO NEWS SERVICE.

The SDF troops, along with 75 civilian police and 41 election monitors, have been dispatched to Cambodia to help the United Nations' peacekeeping efforts to end more than a decade of civil war there.

Legislation to permit the dispatch was criticized in Japan as a violation of the postwar peace constitution which prohibits the use of force in resolving international disputes.

UNTAC plans to announce the withdrawal schedule for all of the peacekeeping forces in Cambodia with Operation Order 6 sometime next week, the sources said.

According to military sources, the Japanese troops would be withdrawn from Phnom Penh Airport to the Thai naval air base in U- Ta-Pao for three days before coming home.

Equipment and materials would be brought home by sea through the southern Cambodian port city of Sihanoukville, with operations to get under way at the beginning of August.

UNTAC sources said the withdrawal is being scheduled some two weeks earlier than originally planned since the elections had been carried out successfully, adding there are not likely to be any changes in plans if the situation in Cambodia remains the same.

Meanwhile, in Tokyo, the Defense Agency and the peacekeeping cooperation headquarters said they had not heard anything yet from UNTAC.

Muto Leaves for Talks With ROK Counterpart

OW2906022193 Tokyo KYODO in English 0205 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Foreign Minister Kabun Muto left Tokyo for Seoul on Tuesday for a regular consultation with South Korean Foreign Minister Han Sung-chu later in the day.

Muto will meet President Kim Yong-sam on Wednesday before returning to Tokyo on Wednesday evening.

Concerned About DPRK's Missiles

OW2906142593 Tokyo NHK General Television Network in Japanese 1030 GMT 29 Jun 93

[Report by NHK reporter Toshihide Tsuga from Seoul; from "NHK News 7" program]

[Text] Foreign Minister Kabun Muto said that North Korea's recent missile tests and moves to export its missiles to third countries pose threat to world's stability. He made this comment during a meeting this afternoon with South Korean Foreign Minister Han Sung-chu.

[Begin Tsuga recording] A regular Japan-ROK foreign ministerial meeting started shortly after 1500 today and lasted a little more than two and one-half hours. It ended shortly after 1800.

While focusing discussions on North Korea's suspected development of nuclear weapons, the meeting also talked about North Korea's missile development. Foreign Minister Muto said that Japanese Government officials had a direct contact with North Korean representatives in Beijing last week.

Muto disclosed that the officials expressed Japan's concern over North Korea's recent missile testing in the Sea of Japan. At the same time, he also said that North Korea's missile development and moves to export missiles to other countries is a threat not only to this region but also to peace and stability in the Middle East and the entire international community.

Agreeing with Muto, South Korean Foreign Minister Han said that North Korea's moves must be monitored closely.

The two foreign ministers agreed to demand from the DPRK the following three points: to cancel its decision to withdraw from the Nuclear Non-Proliferation Treaty, to accept International Atomic Energy Agency's inspections of North Korea's nuclear facilities, and to take actions to realize the North-South Joint Declaration for Denuclearization, which was announced last year.

In light of an agreement to resume the U.S.-DPRK talks on 14 July, the two foreign ministers also agreed to strengthen cooperation between Japan, the ROK, and the United States. [end recording]

Shots Fired at Unification Church Headquarters

OW2306084393 Tokyo KYODO in English 0344 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Three shots were fired at the Japanese headquarters of the Unification Church in Tokyo's Shibuya Ward early Wednesday, police said. There were no casualties, they said.

A church member, who was on night duty, heard cracking sounds around 4:50 A.M. and found three bullets had pierced the metal shutter at the entrance of the six-story building, police said. There were two spent cartridges on the street in front of the entrance, they said.

The Unification Church was founded by South Korean religious leader Rev. Moon Sun-myun in 1954. The Japanese headquarters was established in 1958.

The church attracted attention in Japan when singer-actress Junko Sakurada and former Olympic rhythmic gymnast Hiroko Yamazaki participated in a mass wedding ceremony in Seoul in August last year. Yamazaki later disappeared from the public in Japan but reappeared in April to announce she had left the church and renounced her marriage.

Indian Finance Minister Singh Continues Visit

Meets With Miyazawa 29 Jun

OW2906053693 Tokyo KYODO in English 0506 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Indian Finance Minister Manmohan Singh urged Japan on Tuesday to take up problems of developing countries during discussions at the Group of Seven (G-7) summit meeting on July 7-9 in Tokyo.

Singh said he told Prime Minister Kiichi Miyazawa in a meeting Tuesday that he is interested in cooperating with the G-7 countries on major problems of the world economy, such as protectionism, debt burden, population, and reform of the United Nations organization. He told reporters he got a "very positive response" from Miyazawa.

Singh met Miyazawa to deliver a message from Indian Prime Minister Narasimha Rao in Rao's capacity as chairman of the Group of 15 (G-15) developing countries. The Indian finance minister handed Miyazawa a letter from Rao, Foreign Ministry officials said.

The G-15 was formed in 1989 by members of the non-aligned movement and the Group of 77 (G-77) developing nations. It consists of Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe.

Miyazawa told Singh that problems surrounding the developing nations will be one of the major topics of discussion in the G-7 talks, Foreign Ministry officials said. He also said the industrialized nations' assistance to Russia and the former Soviet republics should not cut their financial help to developing nations, the officials said.

Sendai Mayor Arrested for Contractor Bribes

OW2906061793 Tokyo KYODO in English 0556 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Prosecutors arrested Sendai Mayor Toru Ishii on Tuesday for allegedly accepting 100 million yen in bribes from four major construction companies, sources in the prosecutors office said. Prosecutors searched for evidence during raids at offices of Shimizu Corp., Japan's largest general contractor, Hazama Corp., Nishimatsu Construction Co., and Mitsui Construction Corp. They also searched the Sendai City Hall building.

Mitsui construction allegedly paid the mayor 10 million yen in bribes, while the three other companies allegedly each paid 30 million yen in bribes, the sources said.

Prosecutors also arrested Chairman Shigeru Honda and President Akira Kagami of Hazama, as well as the vice presidents of Shimizu, Nishimatsu and Mitsui Construction, the sources said.

Ishii, 67, is suspected of receiving 100 million yen in cash from the four companies around April 16, 1992, in return for favors related to a public works project ordered by the Sendai City Hall, the sources said.

Interrogated by Investigators

OW2906100893 Tokyo NHK General Television Network in Japanese 0300 GMT 29 Jun 93

[From the "NHK News" program]

[Text] A special investigating squad of the Tokyo District Public Prosecutor's Office has been investigating cases of illegal political donations, which were revealed following the disclosure of a huge tax evasion by Shin Kanemaru, former vice president of the Liberal Democratic Party. Through its investigations, the squad is convinced that Sendai Mayor Toru Ishii accepted 100 million yen [Y] in bribes from four major construction companies in Tokyo in return for favors related to a Sendai City's project to develop areas around the Sendai port. It has just begun interrogating Mayor Ishii for alleged acceptance of bribes and raided offices of the construction companies. The investigating squad plans to arrest Mayor Ishii soon as enough evidence is gathered.

The squad suspects that Mayor Ishii received Y100 million in total in November 1992 from Tohoku branch offices of Hazama, Mitsui Construction Company, Shimizu Corporation, and Nishimatsu Construction Company, although he was aware that the money was for favors in a land development project, including road construction and water works, for areas around the Sendai port. The squad asked the mayor to report to the prosecutor's office this morning and is now interrogating him. Also, it has just begun raiding offices of Hazama and the other companies.

According to the squad's investigations, the four construction companies paid the money in November 1992, just before the Sendai mayoral election in which Ishii was reelected as mayor for the third time. Companies' officials in charge allegedly conspired and paid the money. Because a joint enterprise of the four major construction companies won orders for Sendai City's public works projects in the past, it is believed the money was a way of thanking for the orders as well as a request to ensure their participation in the port area development plan, which is expected to become a large- scale project in the future. The investigation squad plans to arrest Mayor Ishii and companies' officials responsible for the bribery soon after enough evidence is gathered against them.

Cause for Heightened U.S. Pressure

OW2906135493 Tokyo KYODO in English 1328 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—A bribery scandal involving major construction companies threw Japan's construction industry into confusion Tuesday [29 June], and industry officials braced themselves for heightened U.S. pressure to reform the nation's bidding system.

"This may be seen as proof of U.S. criticism of Japan's system of awarding public works contracts," one official said after Sendai Mayor Toru Ishii was arrested for allegedly taking a bribe from four major construction companies.

The scandal came against the backdrop of U.S. pressure to introduce an open bidding system by scrapping "designated bidding," in which national and local governments determine which companies get a chance to bid for a project.

Washington says the system discriminates against foreign companies and is the cause of bid-rigging and a series of scandals as construction firms pay money to politicians to influence the selection.

The latest scandal should speed up transition to open bidding as it gives regulators and contractors a reason to reform the system, industry officials said.

Since a major construction slump in the 1970s, regulators have given top priority to having companies share public works so none will go bankrupt. But critics say the government policy has encouraged construction companies to rig bids for lucrative public works projects and entice politicians to intervene on their behalf.

The Japanese Federation of Construction Contractors has proposed changes but stopped short of calling for the abolition of designated bidding.

Smaller local contractors which rely heavily on public works projects are still in favor of the old way, but some major contractors no longer support it.

"From a long-term viewpoint, (open bidding) will be a plus because it would raise our profits by getting rid of bid-rigging and unwanted joint ventures," said one executive at a big company.

Tokyo To Disqualify 4 Firms

OW2906145693 Tokyo KYODO in English 1422 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—The Construction Ministry will soon disqualify four major construction companies from bidding for its public works contracts because their executives were arrested Tuesday in an alleged bribery case, a senior ministry official said.

Kunihisa Ono of the construction minister's secretariat told reporters the period of disqualification will be between two and six months for Shimizu Corp., Japan's largest general contractor, Hazama Corp., Nishimatsu Construction Co. and Mitsui Construction Co.

The ministry's action is expected to damage the four companies' business because the government often limits bidders for its public works contracts to companies nominated as qualified bidders. "We are taking the matter seriously as we have hardly ever heard of a case in which executives of major general contractors were arrested," said Ono.

The ministry will summon and interview officials of the four companies Wednesday at the earliest before deciding on the punitive measures, he said.

The Tokyo District Public Prosecutors' Office arrested Sendai Mayor Toru Ishii and eight others, including six executives of the four companies.

Prosecutors suspect Ishii received 100 million yen in cash from the four companies in April 1992 in return for favors related to a public works project of the Sendai Municipal Government.

Business Urges Review of Political Donations

OW2406135693 Tokyo KYODO in English 1232 GMT 24 Jun 93

[Text] Tokyo, June 24 KYODO—Some major business groups are calling for a review of the flow of political donations as renegades of the long-dominant Liberal Democratic Party (LDP) have formed splinter parties.

"Now is the time... when we have to reconsider whom business gives political donations to and how," Masaru Hayami, head of the Japan Association of Corporate Executives (Keizai Doyukai), told KYODO News Service on Thursday. Hayami was talking about the practice of the business community offering lump sum donations to the LDP via the Federation of Economic Organizations (Keidanren), the country's most powerful business lobby.

Among other private group leaders supporting a review of political funding are Takeshi Nagano, president of the Japan Federation of Employers' Associations (Nikkeiren), Masao Kamei, chairman of the Committee for Promotion of Political Reform, and Osannuno, chairman of the Kansai Economic Federation. But Keidanren head Gaishi Hiraiwa is taking a cautious stance toward providing political donations to the new conservative parties.

On Monday, 10 former LDP legislators set up a party called Sakigake (Harbinger), and another group of 44 ex-LDP lawmakers led by former Finance Minister Tsutomu Hata on Wednesday created Shinseito (New Life Party).

A senior Keizai Doyukai leader said, "Shinseito and Sakigake are also conservative forces, and we are reaching a point where there is no reason to funnel our donations only to the LDP."

Hiraiwa said he understands the reasons for the formation of the parties but his group will continue to give financial support to the LDP, at least for the time being.

Keidanren donates about 13 billion yen to the LDP a year though its political organization, established in 1954. The organization has collected political funds mainly from major corporations in proportion to their capital.

The two new parties have unofficially sounded out Keidanren about whether it can provide election funds for the July 18 poll for the House of Representatives, Keidanren sources said.

Keidanren officials said the group plans to allow member corporations to provide donations to the new parties.

The LDP has requested a 20 billion yen loan from the Federation of Bankers Associations of Japan for the election, federation sources said.

The group is likely to decide by the end of this week to lend the LDP some 15 billion yen, the same amount it offered the party in the 1990 lower house election, the sources said.

Prime Minister Kiichi Miyazawa was forced to dissolve the lower house for the snap election after a no-confidence vote was passed against his cabinet.

JNP Not To Attend Opposition Summit

OW2606051493 Tokyo KYODO in English 0309 GMT 26 Jun 93

[Text] Tokyo, June 26 KYODO—Japan New Party (JNP) leader Morihiro Hosokawa on Saturday declined an invitation to join an opposition summit Sunday to discuss establishing a coalition government after the July 18 general election, officials said. In a meeting with former Finance Minister Tsutomu Hata, head of the newly founded Shinseito (New Life Party), Hosokawa reaffirmed the JNP's decision to distance itself from other parties, the officials said.

The JNP, a new conservative group established just over a year ago before the July 1992 election for the House of Councillors, holds four seats in the upper chamber and is planning to field over 50 candidates in the upcoming election for the House of Representatives.

Hata and 43 politicians quit the dominant Liberal Democratic Party (LDP) on Tuesday to launch Shinseito the following day.

Shinseito and four opposition parties have agreed to hold a summit at a Tokyo hotel with the aim of ousting the LDP from power and forming a coalition government.

The four other parties are the Social Democratic Party (SDP) [Social Democratic Party of Japan, SDPJ], Komeito, the Democratic Socialist Party (DSP) and the United Social Democratic Party (USDP).

Attending the session will be Hata, SDP Chairman Sadao Yamahana, Komeito Chairman Koshiro Ishida, DSP Chairman Keigo Ouchi and USDP leader Satsuki Eda.

In the meeting with Hata, Hosokawa denied the JNP might join forces with the LDP after the general election, officials said.

Several senior LDP officials have expressed hope of forming a coalition with the JNP and Sakigake (Harbinger) party, formed last week by a group of 10 LDP defectors.

Following the defection of Shinseito and Sakigake members from the LDP, many political analysts predict difficulties for the ruling party to seize a majority of the 511 seats at stake.

On Thursday, Hata held separate meetings with the leaders of the SDP, Komeito, the DSP and the USDP to discuss ways of snatching power from the LDP.

Prime Minister Kiichi Miyazawa, also LDP president, on Friday criticized opposition efforts to form a coalition without discussing policies.

Sakigake Also Rejects Invitation

OW2806051293 Tokyo NHK General Television Network in Japanese 1014 GMT 27 Jun 93

[From the "NHK News 7" program"]

[Text] Five opposition parties—Shinseito [New Life Party], the Social Democratic Party of Japan [SDPJ], Komeito, the Democratic Socialist Party, and the United Democratic Party—asked the new parties, Sakigake [Forerunner] and the Japan New Party [JNP], to join the top leader meeting of opposition parties held today. However, both parties did not join the meeting, saying they want to keep their distance from the existing parties. Speaking at a news conference this afternoon, Sakigake head Takemura said: We are thinking of studying participation in the meeting if we are officially asked to join the coalition government. However, we feel that a Mr. Hata-led move toward forming a coalition government is too rapid, and we are puzzled over it. At present, we are cautious about taking part in the move toward shaping the idea of forming a government replacing the Liberal Democratic Party [LDP] before the general election is held.

[Video shows NHK political department reporter Naritoshi Kusuda speaking in front of an unidentified building] [Kusuda] The top leader meeting of the five opposition parties held today was aimed at countering the LDP's criticism that forming an alliance of the those opposition parties is an opportunistic approach and at demonstrating to the public that they are able to take over power. Attention should be focused on the fact that at the meeting, the five opposition parties clearly agreed that they will take over the current policies such as diplomacy and defense policy in creating a coalition government. However, they avoided discussing today the detail of new policies, including reform of the election system, which is the most immediate task to carry out. This is because there are opinions within the SDPJ that the party should not make concessions too easily on basic policies, reflecting that the executive body of the SDPJ is required to coordinate views of the party members. Following the Tokyo Metropolitan Assembly election, each party will give impetus to its election campaign for the lower house election on 18 July. It is expected that the five opposition parties will again discuss how to deal with the situation following the election.

Opposition Leaders Comment

OW2806142993 Tokyo NHK General Television Network in Japanese 1012 GMT 27 Jun 93

[From the "News 7" program]

[Excerpts] Leaders of five opposition parties—the New Life Party, the Social Democratic Party of Japan, Komeito, the Democratic Socialist Party, and the Social Democratic Federation—met in a Tokyo hotel today. At the meeting, the opposition leaders confirmed mutual cooperation in the upcoming general elections aiming at overthrowing the Liberal Democratic Party [LDP] government. Also, they agreed to take over existing foreign and defense policies when they form a coalition government. [passage omitted]

[Begin Hata recording] This really is an opportunity given by God to put an end to the prolonged one-party rule. Even in the LDP, however, a certain number of people are seriously calling for reform and drastic changes in political circles. I think we will possibly talk and cooperate with such like-minded people in the future. [end recording]

[Begin Yamahana recording] I believe we must not take a cowardly attitude toward responsibilities we have not assumed. At the same time, we are now seeking the power to replace the LDP. I would like to clarify we have no intention to approach the LDP government. [end recording]

[Begin Eda recording] Now that we are asking for the voters to judge, we would like to promote the formation of a coalition government to lend direction to voters. That is our desire, which I proposed at the meeting. [end recording]

[Begin Ishida recording] I personally think we should maintain the current policies for basic issues in such fields as diplomacy and defense. The meeting was an epoch-making event in the sense that we could reach an accord on that point. [end recording]

[Begin Ouchi recording] Some quarters say our alliance is just a common-law marriage. To refute such groundless criticism, we must take over existing foreign and defense policies, and then we must reestablish Japan so that this nation can win the confidence of the international community by contributing to international peace and disarmament. [end recording]

LDP Puts Priority on Anticorruption System

OW2806125593 Tokyo KYODO in English 1229 GMT 28 Jun 93

[Text] Tokyo, June 28 KYODO—Changing tack, the ruling Liberal Democratic Party (LDP) decided Monday to put priority on enacting anticorruption legislation over electoral reform, party officials said. The LDP decided to make anticorruption legislation a policy issue for July 18 general election during a meeting of executives of its policy affairs board, the officials said.

The campaign pledge says the party "is determined to realize sweeping political reform," and added, "it will establish a system as soon as possible to prevent political corruption, strictly drawing a sharp line between official and private funds and securing transparency on political funds."

The campaign promises are vague about electoral reform, which triggered the breakup of the party, saying, "based on the ideal of the (1989) political reform outline, the party will tackle drastic reform while continuing debate in the future."

The political reform outline, drawn up after the Recruit stocks-for-favors scandal involving top LDP politicians, calls for more openness to political funds and disbanding factions. The outline also calls for introduction of single-seat constituencies for the House of Representatives.

The LDP submitted a package of political reform bills, including an electoral reform bill calling for single-seat constituencies to the lower house, at the regular Diet session that ended on June 20. But it failed to reach accord with the opposition.

The LDP planned to enact political and electoral reform bills as a package.

Prime Minister Kiichi Miyazawa repeatedly vowed to achieve political reform during the Diet session, but failed, and opposition parties submitted a no-confidence motion against his cabinet.

The no-confidence motion was passed through the Diet on June 18 with the help of rebel LDP members. As a result, Miyazawa dissolved the lower house for a snap general election.

Private Organizations View Upcoming Election

OW2206150993 Tokyo NHK General Television Network in Japanese 1019 GMT 21 Jun 93

[From the "NHK News 7" program]

[Text] Speaking at a news conference today, Chairman Hiraiwa of the Federation of Economic Organizations of Japan [Keidanren] indicated that Keidanren will continue to support the Liberal Democratic Party [LDP] for the time being, even after the party's split.

[Video shows Hiraiwa speaking in an unidentified room] [Begin Hiraiwa recording] We have always supported the LDP, and we intend to continue to do so. Since we do not know what kind of policy the new party to be led by Mr. Hata will come up with, we need to keep watch over its moves. [end recording] Moreover, touching on a possible coalition government, Chairman Hiraiwa said: There is the possibility that a coalition government will be formed. But the establishment of the coalition government may be unavoidable in the process of forming a stable government. I hope the formation of the coalition government will eventually lead to the establishment of two conservative parties. I sincerely hope a stable government will be established as soon as possible.

On the other hand, Masao Kamei, chairman of Private Committee for the Promotion of Political Reform, speaking at the committee's general meeting, stressed that former patterns of donations being given to the LDP and the SDPJ by economic circles and labor unions should be changed at this time. He also emphasized that the committee will support politicians who are eager to achieve political reform and are genuinely concerned about the future of Japan, saying support includes financial assistance.

Kuranari, Hamada Decide To Retire From Politics

OW2206152993 Tokyo KYODO in English 1134 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Former Foreign Minister Tadashi Kuranari and senior ruling party member Koichi Hamada will not run in the July 18 general election officials said Tuesday.

Kuanari, 74, told reporters at a hotel in Nagasaki that he will retire from politics and that his eldest son and secretary Masakazu, 41, will run in the election instead.

Kuranari served as foreign minister from July 1986 to November 1987 under the cabinet of Prime Minister Yasuhiro Nakasone.

Since 1958, he had been elected 12 times to the House of Representatives from a constituency in Nagasaki Prefecture.

The retirement from politics of Hamada, 64, former chairman of the lower house Budget Committee, was announced by Seiroku Kajiyama, secretary general of the ruling Liberal Democratic Party, in a meeting with reporters.

Hamada's eldest son Yasukazu, 37, will run in the election for the No. 3 constituency, his aides said.

Hamada, dubbed "a roughneck of the Diet," decided not to run in the election citing frail health, they said.

Hamada had been elected to the powerful house seven times since 1969.

He resigned from the lower house in 1980 over a scandal involving gambling of some 460 million yen in Las Vegas in the United States.

Hamada returned to the lower house in 1983 and later assumed chairmanship of the lower house Budget Committee. But he resigned from the post in 1988 after he called Japanese Communist Party leader Kenji Miyamoto "a killer" at a lower house Budget Committee meeting.

Survey: LDP 'Unlikely To Win a Majority'

OW2906143493 Tokyo KYODO in English 1411 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Japan's ruling party is unlikely to win a majority in the July 18 general election, paving the way for a coalition government that may or may not include the Liberal Democrats, KYODO News Service said in a survey released Tuesday.

Three new parties—formed specifically to achieve political reform and oust the Liberal Democratic Party (LDP) from its 38-year grip on power—are expected to gain ground in their first try for the 511-seat House of Representatives.

Japan's largest opposition group, the Social Democratic Party (SDP), will probably plunge to less than 100 seats from 134 it held on June 18 when Prime Minister Kiichi Miyazawa dissolved the lower house after failing to survive a no-confidence vote. A total of 55 LDP members joined the opposition camp by voting for the motion or staying away from the Diet session.

The three parties are Japan New Party (JNP), Shinseito (the Japan Renewal Party) and Sakigake (Harbinger). Shinseito and Sakigake both have LDP renegades as members.

KYODO conducted the survey after rebel LDP parliamentarians quit the party in protest over its failure to get political reform bills through the lower house in the previous five-month Diet session that ended on June 20. Miyazawa had staked his political career on getting the bills passed.

Voters, angered at a string of money-oriented scandals, involving senior LDP officials, are expected to use their ballots to show their displeasure at the LDP, political analysts said. The LDP, in the event of it not getting a majority, could opt not to be part of a coalition.

Campaigning officially starts on July 4. About 870 candidates are expected to run for 129 constituencies but only 196, or 38 percent, are assured of victory, the KYODO survey shows.

Another 180 candidates are likely to win and 283 have a 50 percent chance of winning, the survey said. The remaining 211 will lose.

The LDP, which has governed without interruption since 1955, is fielding 282 candidates and should gain at least 100 tickets to the lower house. About 90 LDP candidates seem assured of victory.

The SDP will field 143 candidates, of which 40 look certain to win and 40 more look likely to win.

Of the new parties, 25 candidates from Shinseito are likely to win seats. Shinseito will have 66 candidates, and 44 of them are LDP defectors. The party was formed on June 23, one day after they bolted.

Sakigake, another breakaway party from the LDP, will field 14 candidates of which 10 are assured victory. A total of 10 former LDP lower house members formed the party on June 21.

The JNP, founded in May last year, had planned to field 48 candidates but said it may send more following its remarkable victory in Sunday's Tokyo Metropolitan Assembly election.

Japan's second largest opposition party, Komeito, will put up 54 candidates, of whom 34 are likely to win. The party had 45 seats in the previous lower house.

Of two other opposition parties, the Democratic Socialist Party is expected to lose many of the 13 seats it held in the previous lower house. The Japanese Communist Party is expected to hang on to its 16 seats.

Three of four candidates from the United Social Democratic Party (USDP), a small, middle-of-the-road party, are assured of winning.

SDPJ Leader on Differences With LDP Policies

OW2906130293 Tokyo KYODO in English 1107 GMT 29 Jun 93

[Text] Utsunomiya, June 29 KYODO—Japan's largest opposition leader Sadao Yamahana on Tuesday denied the Social Democratic Party (SDP) [of Japan, SDPJ] will succeed every aspect of basic defense and diplomatic policies of the ruling party if the opposition succeeds in installing a coalition government.

Yamahana, head of the SDP, made the statement in a press conference two days after he agreed with leaders of four other opposition parties on the succession of defense and diplomatic policies from the ruling Liberal Democratic Party (LDP).

The SDP differs from the LDP in policies pertaining to the Japan-U.S. bilateral security treaty, Japan's Self-Defense Forces (SDF), South Korea and the installment of nuclear power stations. "I have never thought the SDP would take over (every aspect of) the ruling party's (defense and diplomatic) basic policies," Yamahana told reporters.

Leaders of the LDP have criticized the SDP for aligning with other opposition parties despite having failed to agree on basic defense and diplomatic policies, in a bid to form a coalition government if they succeed in ousting the ruling LDP in a general election to be held on July 18.

Political analysts say a devastating defeat of the SDP in the Sunday Tokyo Metropolitan Assembly election reflects supporters' rejection of the party's change of heart to its longstanding policies.

On the issue of the overseas dispatch of SDF personnel in U.N. peacekeeping operations, Yamahana said the party may maintain its opposition to such SDF participation as it violates the Constitution.

Feature Discusses English Names of New Parties

OW2806141193 Tokyo KYODO in English 1309 GMT 28 Jun 93

["News Focus" by Takehiko Kajita]

[Text] Tokyo, June 28 KYODO—Shinseito by any other name would serve to resuscitate Japan's seemingly archaic political system as efficiently—or would it?

A splinter party from the long-dominant Liberal Democratic Party (LDP), led by former Finance Minister Tsutomu Hata, emerged last Wednesday [23 June] under a Japanese name of "Shinseito." The formation of the party drew much attention both at home and abroad because it could foreshadow an end to the LDP's 38-year uninterrupted rule in Japan.

About 400 reporters rushed to a Tokyo hotel to cover a news conference to mark the inauguration of the party, comprising 44 dissident LDP legislators.

But they had to wait for some 20 minutes until Hata and other party leaders showed up. The reason: the party leaders were debating a name for their new political party even as the clock ticked down to their important public debut.

After twists and turns, they have reached a conclusion that Shinseito is best—best only when it is referred to in Japanese. They apparently had no time to discuss an English language name for their party, if not no motivation to put thought into the translation business.

Shinseito is a combination of the kanji characters that mean "new," "life," and "party." But it goes without saying translation is not so easy a job to do. Shades of meaning should also be taken into consideration.

Kozo Watanabe, a senior party leader who once served as international trade and industry minister, said at the news conference the party name signifies fellow members' determination to give birth to a new political system in Japan.

Perhaps his explanation did not work, at least to have the media draw up a unified translation for the newly created party.

A number of news organizations used their own choices of English translation for Shinseito. Among them were the Newly Born Party, The New Life Party, The New Birth Party and the Renaissance Party.

According to a WASHINGTON POST report, Shinseito leaders first grabbed the translation "Renaissance Party" suggested by an American reporter. But the party has dropped it and finally chosen one English-language translation—The Japan Renewal Party.

"True, we once gave the Renaissance Party a thought or two, but the word "Renaissance" means something old and only has cultural connotations," said Kikuo Watanabe of the political office of Ichiro Ozawa, a former LDP secretary general who is widely believed to be the most powerful man within Shinseito.

The party decided to adopt the word "renewal" because it has political, cultural and social implications, Watanabe said. He declined to specify who proposed the translation and only said that the English-language name of the party was picked out of some proposed translations.

Another splinter party from the LDP, created two days before Shinseito was inaugurated, is still grappling with the translation business.

"Shinto Sakigake," as it is called in Japanese, is also difficult to translate into English. Literally, "Shinto" means "New Party," but making matters complicated is how to put "Sakigake" in English, because it has numerous English translations.

Since the party failed to announce an English-language name for their conservative group, news organizations had to make an English version on their own. As a result, the party was called by several English names, like Harbinger, Harbinger New Party, and the New Party Sakigake, which is followed by another sentence explaining that the word Sakigake means "initiative" or "pioneer."

Although a week has passed since its formation, the party still cannot decide on an English-language name for the 10-member group, a party official said. "We are not sure if we can translate the word "Shinto" into New Party, because we heard the English word "new" sometimes means something leftist in such expression as 'new policy,' " the official said. "But we also cannot write the word in the Roman alphabet, like Shinto, because it is mistaken for something else," he said."

Shinto is an indigenous religion of Japan consisting chiefly in the cult-like devotion to deities of natural forces and veneration of the emperor as a descendant of the sun goddess or amaterasu omikami.

"If you come up with a good translation, please let us know," the official said.

Results of Tokyo Assembly Elections Published

OW2706151193 Tokyo KYODO in English 1450 GMT 27 Jun 93

[Text] Tokyo, June 27 KYODO—Following is a final breakdown of polling results, by seat and parties, in the election for the Tokyo Metropolitan Assembly held Sunday [27 June]. (figures in parentheses indicate number of women).

Parties	Total Seats Won	Incumbents	Former	New	Preelection Seats
LDP	44	32	2	10	42
SDP	14 (4)	14	-	0	32
Komeito	25	21	1	3	26
JCP	13 (3)	6	1	6	13
DSP	2	2	-	0	4
JNP	20 (1)	1	2	17	2
Shinseito	0	-	-	0	1
minor parties	3 (3)	1	-	2	2
independents	7	2	0	5	4
total	128(11)	79(2vacancies)	6	43	126

Judges Unable To Obtain Sagawa Owner Testimony

OW2406084593 Tokyo KYODO in English 0657 GMT 24 Jun 93

[Text] Tokyo, June 24 KYODO—Judges from the Tokyo District Court on Thursday failed to obtain bedside testimony from Kiyoshi Sagawa, owner of Sagawa Kyubin Co., at a hospital in Kanazawa in connection with a major money-and-mob scandal, court officials said.

The Kanazawa Cardiovascular Hospital refused to allow the testimony, saying Sagawa, 71, founder of the group of the Kyoto-based express parcel delivery firm, was not well enough.

The defense counsel for the two defendants—Jun Saotome, 55, a managing director, and Michio Ouchi, 41, a chief section of the firm—had asked for Sagawa's testimony.

Presiding Judge Junichi Koide, accompanied by prosecutors and the defense counsel for the defendants, visited the hospital in Kana Awa. They had wanted to hold closed-door testimony in the hospital.

The defendants are on trial on charges of aggravated breach of trust by causing huge losses to the now-defunct trucking firm.

The defense counsel wants to know how the Sagawa owner knew of the approval of extending funds to Susum Ishii—the late boss of the nation's third largest crime syndicate, Inagawa-kai—by the Tokyo Sagawa and of huge stock trading by the firm.

Two other defendants, including Hiroyasu Watanabe, former president of Tokyo Sagawa Kyubin Co, have been tried on charges of aggravated breach of trust.

Munenobu Shoji, a real estate firm affiliated with the Inagawa- kai underground syndicate, was sentenced to three years and six months imprisonment for aggravated breach of trust last Thursday.

New Vice Finance Minister Holds News Conference

OW2506085393 Tokyo KYODO in English 0651 GMT 25 Jun 93

[Text] Tokyo, June 25 KYODO—The Finance Ministry's new top bureaucrat, Jiro Saito, said Friday [25 June] he will strive to follow in his predecessor's footsteps in navigating fiscal policy despite the uncertainties in the political scene.

The former director general of the ministry's budget bureau told his inauguration press conference that his policy-making will fundamentally be in line with Mamoru Ozaki, who retired as vice finance minister the same day.

On the political uncertainty which could lead to a finance minister from outside the ruling party, Saito said, "Whatever may happen, the ministry will persist to what we think is right as the one in the position to serve the people and maintain fiscal order." [sentence as received]

Ozaki, seated beside Saito at the press conference, said he spent his term as a vice minister mostly facing problems related to the economic slowdown, like the pump-priming programs, as well as volatility of stock prices and some "rent" of the financial system. "I cannot say the sun is shining yet but the sky has become much brighter," Ozaki said of Japan's business conditions.

He argued against some criticisms that the government was slow to spur the economy, saying no matter where and who is in charge, there is always a time lag for authorities to come up with specific means.

The government and the Bank of Japan have done their best, he said.

Saito went on to say fiscal conditions are austere, citing a possible shortage of tax revenue for fiscal 1992, and will consider measures to deal with the issue when specific figures become known. He also said he will toil to trim the amount of government debts that have increased in the wake of official pump-priming packages, while the ministry will continue to oppose floating deficit financing bonds.

He said there is a need to review Japan's public works spending to gain more efficiency in such investments.

In connection with mounting pressures against Japan to take further fiscal steps to stimulate the economy in light of its soaring trade surplus, Saito said the government has already taken several such measures and it is sufficient to watch their effects for the time being.

He said there will be difficulties in containing Japan's current account surplus to a certain ratio against its economic output.

Lawrence Summers, U.S. undersecretary of the treasury for international affairs, said in a speech to a group of Japanese business leaders in Tokyo Friday morning reiterated his call for setting "quantitative benchmarks" in measuring progress on trade issues. [sentence as received]

He said if Japan could cut its current-account surplus to its "20-year average" of 1.5 percent of the gross national product (GNP), it will create 60 billion dollars worth of export demand.

Agency To Overhaul Computer Software Laws

OW2206115793 Tokyo KYODO in English 0947 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—The Agency for Cultural Affairs is planning a major overhaul of copyright laws to prevent the widespread and often illegal copying of computer software for individual and corporate use, sources said Tuesday.

The sources said the agency will inaugurate an expert committee in mid-July to inquire into the practice and determine what measures, including legal steps, can be taken.

The agency will notify school committees, universities and the Federation of Economic Organizations (Keidanren) of the move in a bid to prevent illegal copying in schools and corporations.

The sale of copied software or its use by corporations is forbidden under the Copyright Law.

Clause 30 permits copying for individual use. But the law is ineffective when it comes to restricting programs which can circumvent protection of software copying on the basis that they are for individual use.

To take advantage of this loophole, some manufacturers are selling gadgets which copy software for family computers.

Illegal copying of software also is occurring in companies on a daily basis, prompting the U.S. Trade Organization Business Software Alliance on June 2 to complain that among advanced nations, Japan has the highest rate of infringement of the law on software copyright.

The organization said its survey indicated that as much as 92 percent of non-entertainment application programs for personal computers used in Japan last year were copied without authorization from their publishers. It said that if the cost this represents in terms of losses to the industry is computed, it would reach 3 billion dollars, or about 330 billion yen.

To protect the rights of computer software designers, the agency is considering revising clause 30 law and looking at possible restrictions on programs which can get around copy protection devices.

It will also study European community (EC) and U.S. laws. The EC already has begun moves aimed at placing restrictions on programs which circumvent copy protection.

Survey: Few Dealers Want To Sell Foreign Cars

OW2906094693 Tokyo KYODO in English 0832 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Only 4.2 percent of domestic passenger car dealers want to sell U.S. cars and only 16.2 percent are interested in selling German autos, according to a survey released by the Fair Trade Commission (FTC) on Tuesday.

Dealers who expressed an interest in selling foreign cars said they believe those sales would improve their company image and boost the variety of their offerings, the survey said. Inadequate foreign auto parts supply and incomplete repair service were the principal reasons given by dealers for not wanting to sell foreign cars in Japan.

The survey covered nine domestic auto companies, nine Japanese subsidiaries of foreign auto companies, and their car dealers as well as consumers between March 1992 and may 1993.

According to the survey, domestic car sales amounted to 24,591.5 billion yen in fiscal 1991, accounting for 5.6 percent of overall sales in Japan's manufacturing sector.

Of the 3,759 auto dealers in Japan as of March 1993, 612 dealers were partially owned by auto manufacturers like Toyota Motor Corp., Nissan Motor Co. and Honda Motor Co.

Although there are no maker-dealer agreements that state dealers cannot market competitors' products, including foreign-made cars, 31.1 percent of the dealers did not feel they could deal other companies' cars freely.

About 55.6 percent, or 2,010 dealers, of all car dealers, sell imported cars, according to the survey. Twenty-nine companies have established subsidiaries to sell foreign cars, the survey said.

The survey said imported cars were generally believed to be expensive in Japan.

Foreign automakers are trying to combat this image. Chrysler Corp. has cut the price for its 1993 Jeep Cherokee model to 3.73 million yen from the 5.35 million yen asking price of earlier models.

The yen's recent surge will further contribute to lowering the price of imported cars, the survey said.

In order to further open the Japanese auto market and improve fair and free competition, the FTC said it will watch the market carefully.

Meanwhile, the FTC released survey results on the distribution of auto parts by the nine automakers, autoparts makers, dealers, tune-up companies and parts makers overseas.

The goal of these surveys is to gather data on Japanese business practices for study because pressure increases from abroad for Japan to further open its markets and cut its current account surplus.

MITI Reports 20-Month Production Drop 'Streak'

OW2906074593 Tokyo KYODO in English 0703 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—Japan's industrial production in May decreased for the second consecutive month, falling a seasonally adjusted 2.4 percent from April, the Ministry of International Trade and Industry [MITI] said Tuesday. Output at factories and mines fell 2.5 percent in April, after rising 2.5 percent in March and 1.5 percent in February, the ministry said in a preliminary report.

On an unadjusted basis, production continued dropping in May for the 20th successive month of declines, falling 4.0 percent from a year earlier. The last 20-month streak of production drops was from May 1974 through December 1975.

Shipments in May decreased for the second straight month from the previous month, falling 4.5 percent after a 3.5 percent decline in April. May shipments were down 4.4 percent from a year earlier, posting the second consecutive month of yearly falls. Shipments flattened out in March after marking yearly drops for 16 months in a row.

Inventories in May edged up from the previous month for the first time in six months, rising 0.5 percent after falls of 1.8 percent in April and 1.9 percent in March. From a year before, however, inventories in May decreased for the sixth straight month, falling 4.8 percent.

The ministry said production may continue to be dull for some time, despite some progress in adjustment of inventories.

Koichi Yoshimoto, chief of the ministry's Statistics Analysis Division, said broadly sluggish demand was responsible for the production drop in May.

Yoshimoto predicted that inventories may continue falling during the April-June quarter as the current inventory level is almost as low as that in May 1991.

Recovery in production may slow somewhat, however, because there is no clear sign yet that capital spending and private consumption will start recovering, except for public works investment and housing starts, he said. There is a possibility that manufacturers will cut production sharply in August as they did last year, he said.

The ministry predicted a 1.6 percent rise for June and a 0.7 percent gain for July based on a survey conducted early this month.

Ratio of Job Openings to Seekers Falls

OW2906023293 Tokyo KYODO in English 0138 GMT 29 Jun 93

[Text] Tokyo, June 29 KYODO—The ratio of job openings to job seekers continued declining and dropped to a seasonally adjusted 0.81 in May, down 0.03 point from the previous month, the Labor Ministry reported Tuesday. The figure means there were 81 job offerings for every 100 job seekers in May.

Job openings decreased from a year earlier in almost all sectors, with those in the manufacturing sector dropping 27.3 percent and those in the wholesale-retail and food sector falling 22.8 percent.

The transportation and telecommunications sector also saw a 22.8 percent year-on-year decline in job offerings, the service industry posted a 18.2 percent drop and the construction industry marked a 2.5 percent fall.

In the financial and insurance sector, openings decreased 9.7 percent, compared with a 1.0 percent rise in the previous month.

The Management and Coordination Agency said in a separate monthly report the nation's unemployment rate in May rose 0.2 point from the previous month to a seasonally adjusted 2.5 percent, the highest in four years and eight months since September 1988.

This is still considerably lower than rates in other developed nations, the agency said, though calculation methods vary.

The May unemployment rate in the United States stood at 6.9 percent, while that in Britain was 10.4 percent and in Canada 11.4 percent, according to the agency.

Japan's unemployment rate for men in May rose 0.3 point from April to a seasonally adjusted 2.5 percent, while that for women increased 0.1 point to 2.5 percent. The number of all unemployed in May reached 1.69 million, comprising of 980,000 men and 710,000 women. The total figure increased by 270,000 or 19.0 percent from a year earlier.

The number of people with jobs in May totaled 65.27 million, up 160,000 or 0.2 percent from a year before.

The size of Japan's work force, including the unemployed, came to 66.96 million in May, up 430,000 or 0.6 percent from a year earlier. The male work force was 39.60 million, up 430,000 or 1.1 percent from a year before, while the female work force inched down by 10,000 or 0.04 percent to 27.35 million.

By industry, agriculture- and forestry-related jobs amounted to 4.06 million, falling by 180,000 or 4.2 percent from a year earlier, manufacturing jobs decreased by 340,000 or 2.2 percent to 15.07 million, and wholesale-retail and food services jobs declined by 60,000 or 0.4 percent to 14.63 million.

In contrast, construction work increased by 170,000 or 2.7 percent to 6.46 million and jobs in service industries rose by 280,000 or 1.9 percent to 15.10 million.

Carbon Dioxide Emission Rate Said Slowing

OW2306085193 Tokyo KYODO in English 0305 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Japan's carbon dioxide emission level went up in fiscal 1991 but at a slower pace than in the previous year, the Environment Agency reported Wednesday [23 June].

Agency officials said Japan emitted an average of 2.61 tons of carbon dioxide per person from artificial sources in fiscal 1991, 1.6 percent higher than the emission level in fiscal 1990.

The agency reported the data during Wednesday's meeting of cabinet ministers regarding global environment preservation.

The 1.6 percent gain, however, was lower than the 3.2 percent rise in fiscal 1990. It was also the lowest advance since fiscal 1987 when the nation's carbon dioxide emissions started increasing.

Japan has pledged to reduce emission levels in line with an action plan on preventing global warming.

The agency attributed the slowed increase of carbon dioxide output to sluggish industries, reflecting the burst "bubble" economy. But emissions from transport sectors, such as automobiles, ships and railways, and civic sectors, including households, saw substantial gains in fiscal 1991, the agency said.

The 2.61-ton per head figure means that an estimated 324 million tons of carbon dioxide was produced in Japan in fiscal 1991 ended in March 1992. Carbon dioxide, emitted by burning fossil fuels such as oil and coal, is considered a principle cause of global warming.

Also at the cabinet meeting, the ministers decided on a fiscal 1993 budget totaling 496.3 billion yen to promote the study of preserving the global environment.

North Korea

'Contemptible' U.S. Strike on Iraq Reported

SK2806154193 Pyongyang Korean Central Broadcasting Network in Korean 1507 GMT 28 Jun 93

[Text] According to foreign press reports, the U.S. forces struck the Iraqi capital with Tomahawk cruise missiles at dawn on 27 June. Powell, chairman of the U.S. Joint Chiefs of Staff, announced that 23 Tomahawk cruise missiles were fired from the U.S. Navy ships in the Red Sea and the Persian Gulf. A U.S. White House spokesman said that the United States waged a Tomahawk cruise-missile strike targeting the Iraqi intelligence agency in Baghdad in retaliation for a threat against former U.S. President Bush who visited Kuwait last April. He added that this attack was planned meticulously.

U.S. President Clinton announced in an urgent press conference that he ordered this attack.

In the meantime on the same day, the Iraqi Revolutionary Council announced that the U.S. missiles hit the Iraqi Intelligence Headquarters and nearby residents' homes. They said that because of this contemptible assault, many civilian casualties took place; that houses were destroyed; and that great damage was caused to the residential area.

The Iraqi Revolutionary Council pointed out that the U.S. claims used to justify this assault that Iraq is involved in a plot to assassinate Bush is groundless.

Pyongyang, U.S. Agree to 14 Jul Geneva Talks

SK2806221993 Pyongyang Korean Central Broadcasting Network in Korean 2111 GMT 28 Jun 93

[Text] Government-level talks between the DPRK and the United States of America will be held on 14 July 1993 in Geneva.

The DPRK delegation led by First Vice Foreign Minister Kang Sok-chu, and the United States of America delegation led by Assistant Secretary of State Robert L. Gallucci, in charge of political and military affairs, will participate in the DPRK-U.S. talks. Both sides agreed on this matter on 27 June.

Envoy to France Interviewed on Talks With U.S.

SK2906060393 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 28 Jun 93

[Text] Pak Tong-chun, envoy at the DPRK mission in France, held an interview with a correspondent from French international radio on 12 June and talked about the DPRK-U.S. talks.

He referred to the joint statement adopted at the DPRK-U.S. talks in New York and summed up the content of the statement. Referring to the successes achieved in the talks, he said: First, the talks led the United States not to use force of arms, including nuclear weapons, and to give up a threat with that force. The talks included a definite promise from the United States that it would guarantee the denuclearization of the Korean peninsula and its peace and security, that both sides would mutually respect each other's sovereignty, that it would not interfere in our domestic affairs, and that it would support the peaceful reunification of Korea.

Second, although the United States and the Western countries have not so far accepted our assertion that the nuclear issue on the Korean peninsula is essentially a matter of DPRK-U.S. relations and that, therefore, it can be solved only through DPRK-U.S. talks, the DPRK-U.S. talks were held eventually, and their joint statement was issued.

In connection with the promises the United States made in the joint statement, he said: We know well what we should do in conformity with our decision unilaterally and temporarily to suspend the effectuation of the withdrawal from the Nuclear Nonproliferation Treaty for as long as we consider necessary. He also said: What is important is how sincerely the United States will implement the joint statement in the future.

He then answered correspondents' questions.

Paper: Seoul 'Increasing Confrontation'

SK2906113093 Pyongyang KCNA in English 1003 GMT 29 Jun 93

[Text] Pyongyang, June 29 (KCNA)—The South Korean authorities are increasing confrontation and tension, refusing the North's proposal for the exchange of special envoys and letting out without hesitation the provocative outburst that they "will not shake hands with a side possessed of nuclear weapons".

Branding this as an act of self-destruction, NODONG SINMUN in a by-lined article today says:

The South Korean authorities answered the North's repeated proposal for peace negotiation with the large-scale provocative "Ulchi-93" war exercise. This is motivated by their sinister intention to gain something from seeking only confrontation, tension, and permanent division, refusing dialogue with the North, the improvement of North-South relations and the peaceful reunification of the country.

They openly declare that they will not scrap the "National Security Law" and ask foreign forces to put a "pressure" on and take "sanctions" against fellow countrymen, rushing East and West in the world. This fully reveals their hypocrisy in twanging the harp of "dialogue", "improvement of North-South relations" and "unification".

The South Korean present authorities are enforcing "civilian fascist policy" which is more hideous than the anti-national, anti-reunification, flunkeyist treacherous policy of the precedent military dictatorial "regime".

If the present "regime" leads as ever the North-South relations to confrontation and increased tension, tailing behind outside forces and antagonizing fellow countrymen, their existence itself will be endangered and it will bring the horrible result of placing the nation on the altar of big powers.

Those going against the demand of the times and the aspiration of the nation will face a judgement by history.

Daily Denounces South's 'Full Combat Readiness'

SK2906042993 Pyongyang KCNA in English 0413 GMT 29 Jun 93

["Act Against Reunification Desire"—KCNA headline]

[Text] Pyongyang, June 29 (KCNA)—Some time ago, the South Korean ruler showed up in the Military Demarcation Line area and at "a meeting of leading commanders of the whole army" and cried over "North's provocations", and the South Korean "Defence Ministry" took a measure "to maintain full combat readiness" allegedly to cope with the North.

This was an outspoken challenge to the DPRK's sincere and painstaking efforts for reconciliation, unity and dialogue, and an unpardonable criminal act of going against the ardent aspirations of the fellow countrymen for peace and reunification, a NODONG SINMUN analyst today says, and goes on:

It is none other than the South Korean authorities who took a "full combat posture" and "national emergency alert" while raising a hue and cry over nonexistent "provocations" by the North, turning a deaf ear to the North's sincere and magnanimous offer of dialogue and reunification, and they staged across South Korea the large-scale "Ulchi-93" civilian-government joint military exercise in "an atmosphere of real war" against the North, openly seeking confrontation and war.

Their confrontational racket fully reveals the deceptive nature of their propaganda about "dialogue", "reunification" and "meeting".

The South Korean authorities must know that their choice of confrontation, division and war is the road to disgrace and destruction which had been taken by their preceding dictators, and must draw a proper lesson from the disgraceful, wretched end of the predecessors who had turned their back on the nation.

Malaysian Special Envoy Arrives in Pyongyang

Foreign Minister Meets Envoy

SK2606105293 Pyongyang KCNA in English 1016 GMT 26 Jun 93

[Text] Pyongyang, June 26 (KCNA)—Ghazali bin Shafie, special diplomatic advisor to the government, who is a special envoy of Malaysian prime minister and his companions arrived here today.

They were met at the airport by Kim Yong-nam, vice-premier and foreign minister, and Cho Kyu-il, vice-minister of foreign affairs.

Kim Yong-nam Hosts Banquet

SK2706085793 Pyongyang KCNA in English 0820 GMT 27 Jun 93

[Text] Pyongyang, June 27 (KCNA)—The DPRK Government gave a banquet for Ghazali bin Shafie, special diplomatic advisor to the government, who is a special envoy of the Malaysian prime minister, and his companions on the evening of June 26.

Kim Yong-nam, vice-premier and foreign minister, in a speech at the banquet said that Malaysia is making a remarkable success and advance in the efforts for the stability and prosperity of the country under the correct leadership of His Excellency Respected Prime Minister Mahathir bin Mohamad.

The Malaysian Government put forward a proposal for founding the East Asian Economic Committee and has actively striven for its materialization, he said and pointed out: We praise and support it.

Saying that it is good for the two countries to have agreed on establishing a joint committee for cooperation in information services, he stressed: We hope that this cooperation will continue to be expanded in all political, economic and cultural fields between the two countries.

In his speech special envoy Ghazali bin Shafie referred to the rapid development of friendly and cooperative relations between the two countries and said that there is great possibility of close cooperation in technical and industrial fields between the two countries.

As there exists an inequitable order in the world, Asian countries should counter it collectively, he said, and stressed:

The 10-point programme of the great unity of the whole nation for the reunification of Korea advanced by the great leader President Kim Il-song is a great philosophy which can be accepted by everyone with heart and this programm has opened the way of promoting understanding among people.

What is most important in the world is man. His Excellency the dear leader Kim Chong-il has developed the chuche idea, the man-centred idea.

Malaysian Receives DPRK Order

SK2806042593 Pyongyang KCNA in English 0359 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—A ceremony was held at the Mansudae Assembly Hall Sunday [27 June] to award a DPRK order to Ghazali bin Shafie, special diplomatic advisor to the government, who is visiting Korea as a special envoy of the Malaysian prime minister.

Vice-president Pak Song-chol awarded the friendship order first class to the special envoy.

Minister, Envoy Hold Talks 27 Jun

SK2806043993 Pyongyang KCNA in English 0401 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—Talks were held at the Mansudae Assembly Hall Sunday [27 June] between Kim Yong-nam, vice-premier and foreign minister, and Ghazali bin Shafie, special diplomatic advisor to the government, who is a special envoy of the Malaysian prime minister.

Present there were Cho Kyu-il, vice-minister of foreign affairs, and other officials concerned and the entourage of the special envoy.

At the talks the sides discussed the further development of the friendly and cooperative relations between the two countries and exchanged views on a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

Envoy Presents Gift for Kim Il-song

SK2806112093 Pyongyang KCNA in English 1041 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—The great leader President Kim Il-song received a gift from Ghazali bin

Shafie, special diplomatic advisor to the government, who is visiting Korea as a special envoy of the Malaysian prime minister.

The special envoy handed the gift to an official concerned.

Presents Gift for Kim Chong-il

SK2806112293 Pyongyang KCNA in English 1043 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Ghazali bin Shafie, special diplomatic advisor to the government, who is visiting Korea as a special envoy of the Malaysian prime minister.

The special envoy handed the gift to an official concerned.

Kim Il-song Receives Envoy 28 Jun

SK2806111593 Pyongyang KCNA in English 1039 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—The great leader President Kim Il-song received today Ghazali bin Shafie, special diplomatic advisor to the government, who is visiting Korea as a special envoy of the Malaysian prime minister, and his companions.

Present on the occasion was Kim Yong-nam, vice-premier and foreign minister.

The special envoy handed a personal letter of Malaysian Prime Minister Mahathir bin Mohamad to President Kim Il-song.

He had a talk with them in a cordial and friendly atmosphere.

Chinese Soldiers Rescue North Korean Children

SK2606000893 Pyongyang KCNA in English 1504 GMT 25 Jun 93

["Beautiful Deed Displaying Korea-China Friendship"—KCNA headline]

[Text] Pyongyang, June 25 (KCNA)—Members of the delegation of the Chinese People's Volunteers of the Korean-Chinese side to the Military Armistice Commission rescued Korean children from drowning on River Yesong on June 20.

That day, Yi Yong-nan, third-year pupil of the Kumchon Primary School in Kumchon County, North Hwanghae Province, sank under the water while crossing the river with Chon Kum-nan, a cousin by her maternal aunt, on her back. At that time a staff officer Chin Dele and Wang Qingshi and Zhang Iwn who were taking a rest on the riverside heard the scream of the children. They ran 100 metres at a breath and jumped into the river. They desperately swam to the two children and, at last, found them floating down into the deeper water.

The Chinese comrades gave the children first aid for half an hour, not minding their uniforms dripping wet, and brought them back to life.

The villagers told the Chinese comrades to dry their clothes before leaving. But they left the village, saying they had done what they must do.

The villagers admired their beautiful deed, saying that the beautiful flower of Korea-China friendship which had come into bloom on the shore of River Piryu in the 1950s during the Korean war (an internationalist soldier, Luo Shengjiao saved a Korean child in the river at the cost of his own life) was now in full bloom on the shore of River Yesong.

'Comfort Girl' Testifies at Human Rights Meeting

SK2606001293 Pyongyang KCNA in English 1509 GMT 25 Jun 93

[Text] Pyongyang, June 25 (KCNA)—Chang Su-wol, a Korean woman who was a "comfort girl for the army," on June 17 laid bare the crimes of the Japanese imperialists at the Asian forum of the world human rights conference on Japan's war crimes in army sex slavery and unsettled problem of "comfort women" in Asia.

She said when she was 17 years old, she was cheated by a Japanese foreman promising her a good job and was taken from Pyongyang to a "comfort house for the army" in Qiqihaer, China, in September 1941 together with seven other girls, escorted by Japanese police.

There she was forced to serve as a "comfort girl" under the Japanese name "Terucho," she said.

Private soldiers in daytime and officers at night, 15 to 20, fell upon her every day and more than 30 gratified their carnal desire on her on Sunday, not giving her time to take lunch.

She lived this disgraceful life no better than death for nearly four years till she ran away from the "comfort house" in June 1945.

She wandered about, begging and even eating grass roots, before she returned to Pyongyang after the liberation of the country.

She thought she could not marry a Korean with her body spoiled by the Japs, so she has lived single lonely.

"I hope the honest-minded people of the world will settle our grudges and take a strong measure to force the Japanese Government to apologize and compensate," she said.

She demanded that the Japanese authorities frankly admit the crimes and deeply apologize to the Korean people.

Kim Il-song Greets Sihanouk on Military Post

SK2806112593 Pyongyang KCNA in English 1046 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on June 27 sent a message of greetings to His Royal Highness Samdech Norodom Sihanouk, head of State of Cambodia and chairman of the Supreme National Council of Cambodia, upon his assumption of the post of supreme commander of the Cambodian Armed Forces.

The message reads in part:

The assumption of the supreme post of the Cambodian Armed Forces by Your Royal Highness Samdech this time is the expression of deep respect and trust of the entire people and soldiers of Cambodia for you.

We believe that the people and soldiers of Cambodia will achieve peace of the country and national unity and build a united and independent, sovereign, non-aligned and neutral new Cambodia under the wise guidance of Your Royal Highness Samdech.

Availing myself of this opportunity, I sincerely wish Your Royal Highness Samdech greater success in your responsible work for the reconstruction of the country and building of Armed Forces as well as good health and happiness, believing that the friendly and cooperative relations between the peoples and armies of the two countries will grow stronger and develop.

Afghan President Receives DPRK Envoy 23 Jun

SK2806043493 Pyongyang KCNA in English 0404 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—"The Afghan people will work hard to attain the common goal and ideal always with the Korean people," said Afghan President Borhandoddin Rabbani, referring to the development of Afghanistan-Korea friendly relations, when he met with the charge d'affaires ad interim of the DPRK Embassy in his country on June 23.

Noting that the DPRK is walking on its own feet, relying on its own force, not wavering under any pressure from the imperialists, under the wise leadership of the great leader President Kim Il-song, he said: "This gives great strength and courage to the peoples of the Third World countries".

He said he warmly supported President Kim Il-song's speech "Nonaligned Information Services Must Contribute to the People's Cause of Independence".

"I hope Korea's independent and peaceful reunification will be achieved at an early date in the interest of the entire Korean people," he said.

Yang Hyong-sop Meets Belarusian Leader

SK2706115693 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 24 Jun 93

[Text] Chairman Yang Hyong-sop, head of the DPRK Supreme People's Assembly delegation, met and conversed on 19 June with (Zemensinko), chairman of the Foreign Economic Relations of the Belarusian Supreme Soviet International Work.

The delegation visited downtown Minsk and (Hazin) village in the suburbs of Minsk on 20 June. The delegation laid on 20 June a wreath before the monument of the Fatherland Liberation War victory.

Belarusian Supreme Soviet First Vice Chairman Kuznetzov arranged a banquet for the delegation that day. Attending the banquet were First Deputy Prime Minister Myansnikovich, State Foreign Economic Liaison Committee First Vice Chairman (Mariutz), and other relevant functionaries.

Drinking a toast to the respected President Kim Il-song, the first vice chairman spoke that he extends to him his deep gratitude for sending a high-level delegation. He said the delegation's visit to Belarus will contribute to developing friendly and cooperative relations between the two countries, the parliaments, and the people.

The banquet participants drank toasts to the long life and good health of the great leader Comrade Kim Il-song, the dear leader Comrade Kim Chong-il, and the Belarusian Supreme Soviet Chairman Stanislav Shushkevich.

The delegation left Minsk on 22 June after winding up its visit to Belarus. Vice Chairman of the Foreign Economic Relations Committee of the Belarusian Supreme Soviet International Work and other relevant functionaries saw the delegation off at the airport.

Kim Il-song Receives Message From Mubarak

SK2906042593 Pyongyang KCNA in English 0408 GMT 29 Jun 93

[Text] Pyongyang, June 29 (KCNA)—A solidarity message came to President Kim Il-song of the Democratic People's Republic of Korea and Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, from Muhammad Husni Mubarak, president of the Arab Republic of Egypt, on the occasion of the month of international solidarity with the Korean people.

In the message, the Egyptian president wishes most sincerely President Kim Il-song and Comrade Kim Chong-il happiness as well uninterrupted success in their work to realize the desire of the Korean people for national reunification, progress and prosperity.

Saying he rejoices at the close relations of friendship and cooperation existing between the two countries and two peoples, he expresses earnest hope to develop these relations in many fields in the common interests of the two countries and for the promotion of international security and peace.

Agrotechnical Team Meets Mozambican Leader

SK2706084093 Pyongyang KCNA in English 0810 GMT 27 Jun 93

[Text] Pyongyang, June 27 (KCNA)—Mozambican President Joaquim Alberto Chissano on June 21 met with members of the agro-technical cooperation team of Korea which is working at the Maleice Agricultural Cooperative.

The president acquainted himself with the farming condition of the cooperative and expressed his satisfaction with good farming this year. Saying that farming is well because the respected leader President Kim Il-song sent the excellent technicians, he asked the head of the team to convey his sincere greetings to President Kim Il-song.

Envoy Pays Farewell Visit to Ghanaian President

SK2706100293 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 24 Jun 93

[Text] DPRK Ambassador to Ghana Yi Hae-sop paid a farewell visit to Ghanaian President Jerry John Rawlings on 21 June.

In the meeting, the ambassador conveyed to President Jerry John Rawlings the greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. The president expressed his deep thanks for this and asked the ambassador to convey his warmest greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il wishing them long life and good health.

The president expressed his satisfaction with developing relations of friendship and cooperation between the two countries. He congratulated the Korean people for adhering to the socialist system even under difficult conditions and for achieving great success in the struggle to implement their just policy and line under the wise leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. He also said he hopes that they will achieve greater success in the future.

Noting that Korean socialism is solid because it is deeply rooted in the people's hearts, he said that he extends his solidarity for the Korean people's struggle for the country's sovereignty, dignity, and territorial security. He also said the Ghanaian Government hopes that the Korean people will peacefully achieve the country's reunification with their own strength without outside interference.

Kim Il-song Sends Message to OAU Assembly

SK2706085493 Pyongyang KCNA in English 0808 GMT 27 Jun 93

[Text] Pyongyang, June 27 (KCNA)—President Kim Il-song of the Democratic People' Republic of Korea today sent a message of greetings to the 29th assembly of the heads of state and government of the Organization of African Unity (OAU). Noting that the 29th assembly is of greater importance because it is being held in a significant year marking the 30th founding anniversary of the OAU, the message says:

Over the past three decades after its founding the OAU as played a great role in the struggle for finally liquidating colonialism, racism and apartheid and achieving the complete liberation and unity of Africa.

The African peoples are now making strenuous efforts for coprosperity of Africa, while maintaining independence and consolidating political independence.

They will overcome the socio-economic difficulties, achieve an independent development of the country and build free and peaceful New Africa by closely uniting, supporting and cooperating with each other. The Government of the Democratic People's Republic of Korea and the Korean people have made efforts to develop friendly and cooperative relations with African nations in accordance with the common idea of independence, peace and friendship and extended firm solidarity with the African peoples in their just cause of peace and prosperity of Africa against all manner of domination and subjugation.

I, believing that the current assembly will mark an important occasion in settling urgent problems facing the African continent, sincerely wish it great success.

Daily: NAM Must Be Expanded, Strengthened

SK2906043393 Pyongyang KCNA in English 0418 GMT 29 Jun 93

["NODONG SINMUN Calls for Expansion of NAM"—KCNA headline]

[Text] Pyongyang, June 29 (KCNA)—Only when all the non-aligned countries closely unite with each other in face of the divisive and alienating moves of the dominationist reactionary forces, is it possible to strengthen the Nonaligned Movement (NAM) and enhance its position and role in the international arena, says NODONG SINMUN in a by-lined article today.

Today when the idea of the NAM has not yet been realised because there remain the old dominationist forces and the people's cause of independence is hindered by their moves, the NAM must be continued and it must be further expanded and strengthened, the article notes, and stresses:

To further expand and strengthen the NAM is an urgent demand at present both in view of its development and the people's cause of independence. Actively struggling to this end is a noble task of all the non-aligned countries.

The main point in expanding and strengthening the NAM as required by the reality is that all the non-aligned countries adhere to the basic principles of the movement, closely united with each other.

It is a prerequisite to the development of the movement to maintain its basic principles of advancing independently, not joining any bloc. Only when all the non-aligned countries advance independently, not following any bloc or being drawn by it, will the NAM be able to maintain its intrinsic nature and fully discharge its noble mission for the time and history by increasing its leading role in international relations.

The NAM should improve its way of action to cope with the developing international situation. It should be improved in favour of the maintenance of the principles and idea of the movement and their implementation.

Stressing the need to steadily expand the ranks of the NAM, the article says:

The eligibility of a nation to the membership of the NAM must be assessed by its loyalty to the fundamental idea and principles.

Foreign Papers: Kim Chong-il 'Military Genius'

SK2606052593 Pyongyang KCNA in English 0507 GMT 26 Jun 93

[Text] Pyongyang, June 26 (KCNA)—The Pakistani paper JANG carried an article titled "Supreme Commander of the Korean People's Army Kim Chong-il, Military Genius" praising the dear leader Comrade Kim Chong-il.

Noting that the distinguished military intelligence, matchless grit and outstanding military strategy were his most characteristic traits in leading the Army, it said that though an unexpected grim situation was created, he, not yielding to it, would put the enemy on the defensive and opened a favourable phase.

"When a touch-and-go situation which might lead to the outbreak of a war was created on the Korean peninsula in March, Comrade Kim Chong-il issued an order of the supreme commander of the Korean People's Army to put the whole country, people and Army in a semi-war state as a self-defensive measure to defend the security of the country and the people, thus foiling the intention of the provacateurs to stifle the DPRK with strength," it noted, and continued:

"His Excellency Kim Chong-il personifies love for the soldiers on the noblest height.

"He deeply trusts them as precious revolutionary comrades whom he shares the destiny with and gives them political integrity and defends it so that they may glorify their life for the country and the people.

"He visits posts on the forefront to meet soldiers, boards naval vessels engaged in a naval exercise and a plane in a test flight, taking good care of the life of the soldiers with paternal love.

"He is deeply trusted and respected by the people and soldiers for such traits of the brilliant commander.

"It is only too natural that he was elected chairman of the National Defence Commission after becoming the supreme commander of the Korean People's Army and marshal."

The Madagascan paper BASY VAVA also carried an article praising Comrade Kim Chong-il.

Units Reach 1st-Half Production Targets

SK2806114393 Pyongyang KCNA in English 1026 GMT 28 Jun 93

[Text] Pyongyang, June 28 (KCNA)—A number of units of the national economy in Korea have fulfilled their assignments for the first six months of the year in succession.

The Yongsong general machine bureau which accounts for a large portion of the nation's output of ordered equipment had carried out its plan for the first half year at 116 percent in terms of industrial output value by the end of May. In this period the bureau produced power equipment for the December thermal power plant, the East Pyongyang thermal power plant and other power plants and for hydraulic power stations in South Hamgyong Province, rollers for the Kim Chaek iron and steel complex and other metallurgical equipment as well as coal mining equipment including compressors, winches and speed reducers.

The general bureau of mining machine industry fulfilled its plan at 100.6 percent in terms of gross industrial outpqt value on June 20.

The Sariwon coal mining machine factory beat its first half-year goal two months ahead of schedule by effecting collective innovations.

The general bureau of land transport fulfilled its freight turnover plan at 100.5 percent.

The transport bureaus of North Pyongan, Chagang, South Hwanghae and North Hamgyong Provinces and the Pyongyang long-distance road transport corps No. 1 hit their high targets on all indices more than 20 days ahead of schedule.

The commitments for the first six months of the year have been honored ahead of schedule also by the North Hamgyong provincial prospecting administration, the Yanggang provincial general forestry bureau, the South

Hamgyong provincial building materials complex, the Kangwon provincial sapropelic coal mining complex, the Pyongyang cornstarch factory, the Wonsan shipbuilding yard, the Pujongang power station and many other units.

Daily Lauds Development of Socialist Society

SK2906114793 Pyongyang KCNA in English 1011 GMT 29 Jun 93

["Socialism Is Advanced Society With Highest Capacity of Development"—KCNA headline]

[Text] Pyongyang, June 29 (KCNA)—The progressive nature and advantages of the social system is chiefly manifested in its capability of development, NODONG SINMUN in a signed article today says, stressing: Socialism is an advanced society with the highest capacity of development.

Noting that the fundamental advantage of socialism in terms of capability of social development lies in the might of unity of the popular masses based on their high ideological consciousness, the author continues:

Socialist society is a society more capable of development than any other society because, first of all, it is a society developing thanks to the high revolutionary consciousnyss and creative initiative of the popular masses armed with the socialist idea.

Ideological consciousness that powerfully propels social development is the consciousness of independence, and the ideological consciousness on the highest stage of the development of the consciousness of independence of the popular masses is socialist ideological consciousness. Hence, it goes without saying that socialism which develops by the high revolutionary consciousness and creative ingenuity of the popular masses equipped with the socialist idea is a society with the highest capacity of development.

The advantages of socialism in its capacity of development can be seen clearly through comparison between the might of unity and cooperation of socialist society based on collectivism and the limitations of capitalist competition based on infividualism.

Capitalist competition takes place spontaneously to meet the interests of individuals, but unity and cooperation in socialist society are achieved organizationally on the basis of high awareness of the popular masses, the masters of society. Only unity and cooperation in socialist society open the way for an unlimited, steady development of society. The decisive factor in defining the development of socialist society and its destiny is the popular masses armed with the socialist collectivist idea.

The superiority of socialist society to capitalist society is precisely the superiority of idea, and the high capability of development of socialist society lies in unity and cooperation of the popular masses equipped with the socialist idea.

That socialist society is a society with the highest capacity of development has been proven by historical facts.

Now the imperialists and reactionaries describe socialist society as a society incapable of development, but it is their desperate attempt to block the rebirth of socialism.

Party Leadership Needed in Economic Building

SK2906081093 Pyongyang Korean Central Broadcasting Network in Korean 0023 GMT 27 Jun 93

[NODONG SINMUN 27 Jun special article: "The Party's Leadership Is a Prerequisite to Socialist Economic Construction"]

[Text] The noble trait of the socialist economy lies in the fact that it can be constructed and developed under the leadership of the party. The party leadership is therefore a prerequisite to the development of socialist economic construction. It also contributes to the superiority and is a basic source of vitality of the socialist economy.

The dear leader Comrade Kim Chong-il has said: Without guidance from the working class party and the state the economy is not a socialist economy, and society without a socialist economic basis is not a socialist society.

The working class party is a guiding force in socialist society as well as a political organization that leads the destiny and life of the popular masses responsibly. Thus, the party's basic mission and duty is to make the working class party study the socialist economy.

The working class party's method of guiding the economy in a socialist society can be adapted to each country's exact situation and to the demands of the developing revolution. It must not overlook the guidance on the economy in any circumstance.

The socialist economy cannot display its superiority if there is no leadership from the working class party. Historic lessons in socialist construction shows that if there is no party leadership, we can neither develop the socialist economy nor maintain the socialist system itself in conformity with its intrinsic demand.

The party's leadership is, above all, an intrinsic demand of socialist economy. In addition, the socialist economy serves and is centered on the popular masses. This is a reflection of the intrinsic characteristics of a socialist society in which the popular masses are masters of state sovereignty and means of production.

State sovereignty given to the popular masses in a socialist society is a political guarantee that makes them masters of the economy and that makes the economy serve them. It is also the economic basis that enables the popular masses, who are socialist members of the means of production, to enjoy their independent and creative lives.

Providing such social conditions does not mean that the popular masses can perfectly and spontaneously fulfill their responsibility and mission in a socialist society as masters of the economy or that the economy can serve them. To perfectly fulfill their responsibility and mission as real masters of the economy, the popular masses must carry out all the economic constructions and conduct all of their economic activities in a socialist society in conformity with their independent demands and interests.

In order to make the socialist economy truly serve the popular masses, we must serve it in return as a firm guarantee for their rich and civilized lives. This can be excellently carried out only with the party's leadership.

The working class party is the supreme political organization that represents the demands and interests of the popular masses and that is directly responsible for their lives. The party can realize the demands and intent of the people through a political link and responsibly guarantee their independent and creative lives.

In essence, party leadership in the socialist economy is policy-oriented, political guidance. The party's policy-oriented, political guidance over the socialist economy allows for the correct formulation of economic construction lines and policies so that they conform with the demands and intent of the popular masses, and are implemented by positive inspiration of their revolutionary aspiration and creation.

In each period and stage of developing revolution, the working-class party must present economic construction lines and policies which reflect the basic and pressing interests of the popular masses, the precise situation of the country, and the practical conditions of economic construction. As a result, it must fully delineate the struggling goal, direction, strategy, tactics, tasks, and plans for developing the economy in conformity with the demands and intent of the popular masses. Along with this, the working-class party must educate the popular masses to participate in economic activities befitting their role of masters in political work. Furthermore, it must lead them to thoroughly implement lines and policies.

The working-class party must politically lead the socialist economy so that it is managed and operated in a planned way under the state's unified guidance. As a result, it must rapidly develop the economy with maximum mobilization of the economic potential of the country. Also, it must organize and a lead labor life and material life to meet the independent demand of the popular masses.

Therefore, only when party leadership over the economy is thoroughly guaranteed can the popular masses fulfill their responsibility and role as practical masters of the socialist economy and enjoy the true labor life and material life in conformity with the nature of social human beings.

The party leadership is also a basic guarantee for displaying the superiority of the socialist economy which can be displayed when the popular masses' abundant and creative abilities are demonstrated. While the law of the jungle applies in the capitalist market economy which is based on individualism, comradely unity and cooperation takes place in a socialist society which is based on collectivism through people's economic activities. This is a basic source, enabling the popular masses to demonstrate their creative might more highly. The might of comradely unity and cooperation can be displayed more highly only when people unite as a sociopolitical organism based on the collectivist outlook on the life.

It is the working-class party that can make the popular masses unite as a sociopolitical organism of creative abilities in socialist society. The working-class party awakens the popular masses to accept socialist economic construction as their own work, unifies individual interests with collective interests, and strengthens the might of their unity and cooperation so that their collective strengthen and united creative ability can be brought into full play.

Only under the leadership of the working-class party can the popular masses become conscious and organized so that they become linked with the leader in one blood line and strengthen their indomitable might.

Therefore, the party's political leadership must be firmly guaranteed to strongly arm all people who participate in economic activities with the idea of the leader and to make them unite as one around the party and the leader. Also, acceleration of socialist economic construction can be maximized with the full display of their creative wisdom and might.

Party leadership is also a fundamental requirement to firmly adhere to and thoroughly apply the revolutionary principle in socialist economic construction. To thoroughly abide by the revolutionary principles is a basic matter determining the destiny of socialist construction.

We must firmly adhere to revolutionary principles to repulse the imperialists' and reactionaries' challenges and plots and to consistently safeguard, adhere to, and embody the basic demand and interests of the popular masses in economic construction. Conforming with the demands and interests of the popular masses, we must establish the economic system so that we can thoroughly abide by the revolutionary principles in socialist economic construction. Also, we must constantly consolidate and develop the system and carry out economic construction in conformity with the collective character of socialism. This can be realized only under the political leadership of the party, the most thorough representative and protector of the interest of the people.

Only under the political leadership of the party can socialist ownership, the economic basis for realizing the independence of the popular masses, be constantly strengthened; its advantages be brought into full play; capitalist elements be thoroughly overcome in economic management and operation; and the economy be managed and operated in keeping with the socialist nature.

As historical facts show, rejection of the party's political leadership over the economy in socialist society results in rehabilitation of capitalist factors in economic building and management and in destruction of socialist ownership, and endangers the socialist system. All this indicates that the socialist economy can constantly be developed to demonstrate its superiority and strength only under party leadership.

Our realities clearly prove that the socialist economy can be consolidated in accordance with its nature and can only be constantly developed under the party's leadership.

Socialist economic building in our country has been carried out with unparalleled fortitude in difficult situations. Inheriting the backward remanants of a colonial, (?feudal) society, we had to build the economy up from total demolition by the war, while smashing various maneuvers by the enemies at home and abroad.

It was a difficult struggle to build up the socialist economic system in our country. It was also a very arduous struggle for our country to consolidate the socialist economic system and a material and technological basis of socialism, while defeating imperialists' threats, blackmail, economic sanctions, and interfering maneuvers.

Our people, however, were able to build up the strong and mighty self-reliant national economy, the most superior socialist economy which serves the people, its masters, and which enables them to live on their own strength under all circumstances, thanks to the wise leadership of the party, which set out the correct lines and policies at every stage of the revolution and organized and led the people victoriously.

In our country, the question of establishing the most superior socialist economic management system and method has been solved brilliantly under the party's leadership. Our party created the Taean work system, the most scientific economic management method which has embodied the chuche idea and the revolutionary mass-oriented line. It presented basic principles of socialist economic management, showing how to correctly combine political guidance and economic and technological guidance, the state's unified guidance and each unit's creativeness, democracy and unitary control, and political and moral stimulations and material ones, thus solving the problem of socialist economic management most correctly in accordance with the nature of socialist collectivism.

Thus, socialist economic building has been successful in our country, not even falling into minor deviations or vicissitudes, and a firm basis for a more sufficient, civilized material and cultural life has been established for our people.

In our country, the party and the state guarantee the people's livelihood with complete responsibility, and people have no worry or anxiety in finding food, clothes, and houses. Everyone works creatively with a job suited to his or her own talent and ability. No man is unemployed or a wandering beggar in our country.

All the people live well and equally without discrimination under the wise leadership and great consideration of the party and the leader. They enjoy happy lives while helping and leading one another. This is a true look of people's material life in our society.

Through their actual life experiences, our people came to have firm faith that the party's correct leadership guarantees the country's economic development and the people's independent and creative life. Considering the party a mother's bosom which embraces their destiny and livelihood, they endlessly trust and follow it.

Upholding the party's leadership, our people will sternly defeat all kinds of interference by imperialists and reactionaries, consolidate and develop our superior socialist economic system even more, and effect a new upsurge in the struggle to implement the party's grand plan and strategy for economic building in the future. By doing so, they will add luster to the most superior socialism of our own style.

Daily Stresses Indoctrination in Principles

SK2506123193 Pyongyang Korean Central Broadcasting Network in Korean 0014 GMT 24 Jun 93

[NODONG SINMUN 24 June editorial: "Let Us Further Strengthen Indoctrination in Revolutionary Principles"]

[Text] Today, our party attaches great importance to the reinforcement of indoctrination in revolutionary principles to firmly prepare party members and working people politically and ideologically in accordance with developing realities.

The dear leader Comrade Kim Chong-il noted: It is important to intensify indoctrination in principles to arm party members and working people firmly with the chuche idea.

Indoctrination in revolutionary principles plays an important part in chuche indoctrination. Our party's chuche idea provides an overall explanation of such profound principles as human-oriented philosophical principles, the principles of society and history, and the inevitability of revolutionary struggle.

Not knowing revolutionary principles, one cannot correctly understand the chuche idea's justness and truth. Indoctrination in revolutionary principles has always been important in our party's ideological work of arming party members and working people with the chuche idea.

The intensification of indoctrination of party members and working people in the revolutionary principles is an important demand which makes them resolutely defend and protect socialism of our own style with firm revolutionary faith and will.

The strength of faith and will has advanced our socialism to the high position it is now in. Prospects for our socialism depend on how all the people defend their revolutionary faith and principles.

We must intensify indoctrination in revolutionary principles in order to have all party members and working people deeply secure in their hearts the firm faith not to yield under any threat or pressure and the will to stoutly go their own way in any wind.

Deeply aware of the revolutionary principles, revolutionaries can discriminate socialist things from antisocialist ones, and possessions of the working class from those belonging to reactionaries. They always advance along the single road of revolution led by the party and the leader. They never lose their faith, nor follow others who are swayed by general trends.

Imperialists are intensifying reactionary, ideological and cultural infiltration more than ever before to remove the people's faith in socialism. We are required by reality's circumstances to forge ahead more intensely with the work of firmly preparing all people politically and ideologically so that they can smash [chitpusida] imperialists' reactionary offensive with a revolutionary offensive.

When all party members and working people deeply learn revolutionary principles and make it their flesh and bone and faith, our society will become an invincible ideological stronghold that never allows infiltration by any strange ideological factor, and will further strengthen single-hearted unity of our revolutionary ranks.

Most important in the indoctrination in revolutionary principles is to make all party members and working people deeply learn the truth that the socialist cause will achieve victory without fail. Although there may be temporary vicissitudes in the course of advancing the socialist cause, man's advance toward socialism is inevitable in the development of history.

In order to have firm faith in socialism, people should be deeply aware of this unchangeable direction of the development of history. In particular, party members and working people should deeply learn the invincibility of our style of socialism which embodies the chuche idea.

We should fully explain how our style of socialism was built and developed, the ideological grounds upon which it is based, where its superior nature lies, and the brilliant prospects for our style of socialism to party members and working people. By doing so, they will have firm faith that victory is ours and that socialism is ours forever.

Party organizations should make party members and working people understand the principles behind the basic reasons for the collapse of the socialist system and the rehabilitation of the capitalist system in many countries so that they learn a lesson from it and become firmly armed with the historical truth that those who abandon socialism will die.

At the same time, they need to be made well aware of the absolute superiority of socialism over capitalism, the inevitability of capitalism's demise, and the vicious and tricky nature of the antisocialist maneuvers of imperialists.

Carrying out indoctrination work on the revolutionary principles and socialism in order to establish firmly the revolutionary outlook on the leader is important.

The most important principle that the people, who are building socialism, should always cherish in their hearts as their iron rule is a revolutionary truth that the leader plays a key role in the implementation of the socialist cause and that socialism can be victorious when the revolution is carried out generation after generation along the single road pioneered by the leader, while regarding his idea as a guideline for its realization. In addition, we must strongly arm ourselves with the revolutionary principles of upholding the party and the leader with a firm conviction.

Party organizations must raise party members and working people to be true loyalists and dutiful sons who make loyalty to the party and the leader their faith, conscience, morality, and part of their lives, by leading them to be fully aware of the truth of the position and role of the leader in the working class's revolutionary struggle. In particular, they must grasp profoundly the importance of settling the problem of leadership inheritance, the principles that should be adhered to in solving the problem, and our party's experiences in struggling that has brilliantly solved it.

Party organizations must enable all party members and working people to cherish deep in their hearts a firm faith that there is nothing they cannot conquer if only they go forward under the leadership of the dear leader Comrade Kim Chong-il, who possesses literary and military skill.

It is important to carry out the indoctrination work on the revolutionary principles based on the great leader Comrade Kim Il-song's work and the party's documents. The great leader's works and the party's documents are an encyclopedia and a series of publications on chuche idea that have comprehensively elucidated the basic principle of the revolution and construction. They are also strategies and tactics used in the revolution and construction.

To grasp the idea, theory, and method of chuche, we must carry out the indoctrination on the revolutionary principles based on the principles set forth in the great leader Comrade Kim Il-song's works and the party's documents. We must study his works and the party's documents, regarding them as the most valuable classical textbooks.

In particular, the documents "Historical Lesson in Building Socialism and Our Party's General Line" and "On the Fundamental Question of Revolutionary Party Building" recently announced by the dear leader Comrade Kim Chong-il are of great significant in the indoctrination on the revolutionary principles. All principle problems and the practical tasks in safeguarding, adhering to, and consummating the socialist cause have been comprehensively elucidated in these documents.

Party organizations must enable party members and working people to study the documents of the dear leader Comrade Kim Chong-il in various forms and ways. We must thoroughly establish the revolutionary habit of study throughout the party and society. We must encourage them to study the revolutionary principles elucidated by our party over and over again until they understand them completely.

The relevant sectors must produce more educational materials that can contribute to indoctrination on the revolutionary principles. Also, the indoctrination on the revolutionary principles should be carried out side by side with revolutionary practice.

Only when we are aware of the historic basis of the profound revolutionary principles elucidated by our party and of its significance in practice can we properly grasp their justification.

Party organizations must enable all party members and working people to be fully aware of the lawfulness of the advance, inheritance, and consummation of the socialist cause in today's reality in which the struggle history of our party, which has firmly adhered to the revolutionary banner of socialism, and the most superior popular masses-centered socialism have been fully enlightened and developed.

Party organizations at each level must firmly adhere to our party's consistent indoctrination policy of the revolutionary principles. They must correctly formulate measures and plans to properly embody the policy in conformity with the demands of the developing realities, and they must persistently try to implement them.

KCNA Reviews 29 Jun Pyongyang Press

SK2906050393 Pyongyang KCNA in English 0428 GMT 29 Jun 93

[Press review]

[Text] Pyongyang, June 29 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received a special envoy of the Malaysian prime minister, and reports that President Kim Il-song and Comrade Kim Chong-il were presented with gifts by the special envoy. Appearing in the press is a message of greetings President Kim Il-song of the Democratic People's Republic of Korea sent to His Royal Highness Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, upon his assumption of the post of supreme commander of the Cambodian Armed Forces.

NODONG SINMUN conveys words of foreign political and public figures praising President Kim Il-song as the most veteran and experienced statesman of the present times.

The paper reports that a Nicaraguan paper carried an article explaining the classical work of the dear leader Comrade Kim Chong-il "The Historical Lesson in Building Socialism and the General Line of Our Party".

Seminars on the revolutionary idea of Comrade Kim Chong-il were held by organizations under the Democratic Union of Korean Women in Japan, reports the daily.

The paper carries "Lodestar of Mt. Paektu", a poem by Samuel Edwonhoeb, deputy head of the group for the study of the chuche idea of Namibia University, praising Comrade Kim Chong-il.

An article of the paper tells that Comrade Kim Chong-il visited Kumsok-ri, Hwangju County, North Hwanghae Province, and led the people there to live and struggle with hatred against the system of exploitation and class enemies.

The paper carries an article entitled "Socialism Is Advanced Society With Fullest Capacity of Development".

MINJU CHOSON prints an article explaining that the ideological, technical and cultural revolutions is the banner of victory of socialism.

Papers devote much space to news that working people in various fields of the national economy are greeting the 40th anniversary of the victory in the Fatherland Liberation War with great labour achievements.

According to the press, talks between the DPRK and the USA will open in Geneva on July 14.

Papers carry an open questionnaire published by the North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) regarding the South Korean authorities' intensifying fascist suppression of the South Korean Federation of General Student Councils (Hanchongnyon).

Papers report that a spokesman of the South Korean National Democratic Front denounced the "Ulchi-93" war exercise of the South Korean authorities.

NODONG SINMUN runs a commentary and an article on the confrontational racket of the South Korean authorities.

Papers inform the readers of functions held in different countries to mark the month of international solidarity with the Korean people and the 40th anniversary of the victory of the Korean people in the war.

It is reported in the press that Comrade Jiang Zemin stressed the need to strengthen the party's leadership and party building, the Namibian president called for respecting the will of the Angolan people, and the Nigerian Government denounced the West for interfering in its internal affairs.

Papers report that U.S. Forces attacked the Iraqi capital with cruise missiles.

NODONG SINMUN and MINJU CHOSON come out with articles under the respective titles "Nonaligned Movement Must Be Further Expanded and Strengthened" and "To Build an Independent New World Is Common Task of Mankind."

South Korea

Kim Il-song 'Rebuked' Son for NPT Withdrawal

SK2906103393 Seoul KBS-1 Radio Network in Korean 0956 GMT 29 Jun 93

[Text] (ISIPSA), a Russian daily newspaper, reported that in connection with the handling of major issues, including the decision to withdraw from the Nuclear Nonproliferation Treaty [NPT], President Kim Il-song of North Korea rebuked [kyonchaek] Secretary Kim Chong-il, his official successor.

The newspaper, published by ITAR-TASS, reported that because of the decision to withdraw from the NPT, North Korea could not get a concession in the least from the Western countries and, as a result, had to agree to receive the nuclear inspections which North Korea had tried to avoid at any cost. As a result, Kim Il-song seemed to rebuke Secretary Kim Chong-il for leading the decision to withdraw from the NPT.

The newspaper also pointed out that in connection with the worsening opinion in Japan caused by the test launch of the No. 1 Nodong missile which was conducted at the end of last month, President Kim Il-song might express dissatisfaction at Kim Chong-il. The newspaper reported that a rumor that the status of Secretary Kim Chong-il has been slightly weakening is circulating among diplomats in Pyongyang.

Paper: Israeli, DPRK Officials Meet in Beijing

SK2906031893 Seoul YONHAP in English 0302 GMT 29 Jun 93

[Text] Tokyo, June 29 (YONHAP)—An Israeli delegation visited China and met with a high-ranking member of the North Korean Worker's (Communist) Party in Beijing and demanded Pyongyang cancel a missile sale to Iran, the ASAHI SHIMBUN reported Tuesday from Jerusalem. The ASAHI said Israel and North Korea exchanged views on the Nodong-1 missile, a modified Soviet Scud, and the Nuclear Nonproliferation Treaty.

Israel offered economic assistance to the North and its services as an intermediary in Pyongyang's efforts to improve ties with the West, ASAHI said. In a related story, ASAHI quoted an Israeli expert as saying that North Korea took the initiative in calling for contact with Israel.

The expert, a history professor, claimed that it was a just pretext to ask for an Israeli aid on a gold mine project. "Pyongyang virtually wants to accept economic and technological assistance, buy Israeli military vehicales and moreover an Israeli role as an intermediary for its efforts to improve ties with the West," the professor said.

Asked why Pyongyang didn't want to expand trade with Iran, the expert explained that Iran was an Islamic fundamentalist country that didn't allow communism nor did it have any technologies the North wanted. "Furthermore, relations with the West might worsen if Pyongyang enhances ties with Iran," he argued. He also claimed that Chinese influence was behind the contact, pointing out that Beijing provided conveniences for the talks.

Officials: 'No Results' From Talks

SK2906071593 Seoul YONHAP in English 0653 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—Israel's talks with North Korea to stop it from selling missiles to Iran produced no results, and no dates were set for further meetings, officials here said Tuesday [29 Jun].

The Israeli Government, explaining the results of the Beijing meeting June 25 to South Korean officials, said North Korea urged Jerusalem to buy one of its gold mines.

Asked to refrain from selling missiles to Iran, North Korea told Israel it had never sold such weapons to the fundamentalist Islamic state, the officials said.

Israeli Foreign Ministry's Deputy Director-General Eytan Bentsur, an assistant minister-level official, was in Pyongyang last October. North Korea was reported to have asked Bentsur to buy the gold mine for 1 billion U.S. dollars, about the amount it would lose if it cut off missile sales to Iran.

The North Korean official at the Beijing talks, whose name was not disclosed, again pressed Bentsur to buy the gold mine but refused to say anything about its missile sales activities, the Israeli report said.

Sources here, however, say Israel is expected to hold further talks with North Korea, although meeting dates are not yet set.

Seoul, U.S. Agree on Nuclear Issue Efforts

SK2906022193 Seoul YONHAP in English 0140 GMT 29 Jun 93

[Text] Washington, June 28 (YONHAP)—South Korea and the United States, sharing the view that the progress of North Korea's nuclear development program was more serious than expected, agreed on Monday [28 June] to make concerted efforts to resolve the issue swiftly. After a one-hour meeting at the Pentagon, Korean Defense Minister Kwon Yong-hae and U.S. Defense Secretary Les Aspin announced that they had a common recognition of the gravity of security on the Korean peninsula and had reached an agreement on joint endeavors for prompt settlement of the nuclear issue. Their talks focused on the nuclear issue and they agreed to have further discussions on it during the visit to Seoul of U.S. President Bill Clinton on July 10-11.

A high-ranking source said that U.S. National Security Adviser Anthony Lake had told Kwon that the U.S. missile attack on Iraq on Saturday was also a warning to North Korea. Both sides agreed to promote technology cooperation in the defense industry area, informed sources said.

Working-level officials of the two sides, in their meeting prior to the ministerial conference, decided to take steps to beef up bilateral security cooperation such as the establishment of an around-the-clock emergency communications network. But they did not reach a concrete agreement on it as their discussion focused on the nuclear issue. The two sides decided to relegate the matter of the annual joint military exercise "Team Spirit" to the regular security consultative meeting scheduled for November.

The ministerial talks were attended by Korean Ambassador to Washington Han Sung-su and Gen. Colin Powell, chairman of the U.S. Joint Chiefs of Staff. Kwon is scheduled to return to Korea on Saturday [3 July] after talks with other military leaders in the government and congress.

'Source': U.S. To Urge IAEA Inspections of Koreas

SK2906024793 Seoul YONHAP in English 0225 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—Washington may propose to Pyongyang at their high-level talks in mid-July in Geneva that the International Atomic Energy Agency (IAEA) conduct simultaneous nuclear inspections of both North and South Korea, an informed source said Monday. The plan under consideration calls for participation of IAEA inspectors in mutual nuclear inspections of the two Koreas under the joint declaration issued last year to denuclearize the Korean peninsula. This would bind North Korea more tightly to its international obligations than the mutual inspection formula, while saving its face, he said.

In the recent New York talks, Pyongyang sounded out Washington on solving the nuclear issue while saving face for Kim Chong-il, son and heir-designate of President Kim Il-song, as he was behind the decision to pull out of the Nuclear Nonproliferation Treaty (NPT). In view of this, Washington was contemplating having IAEA inspectors participate in mutual inter-Korean nuclear inspections, the source said. If the U.N. Security Council imposed sanctions on North Korea as a result of the breakdown of the Geneva talks, China would not oppose, he predicted.

China was basically opposed to North Korea becoming a nuclear power and its relationship with North Korea recently became sour. Should the United Nations take sanctions against North Korea in the nuclear issue, China would not oppose but "follow suit," he said.

The U.N. sanctions would include a sea blockade of North Korea, and Chinese participation in the blockade would deal a fatal blow to the North Korean economy. Noting that North Korea's reserves of oil and other strategic material can sustain its economy for three to six months only, he said the North Koreans were most worried about economic sanctions. It was these worries that prompted the North Koreans to say, when the U.N. Security Council first took up its nuclear issue several weeks ago, that they would take any U.N. sanctions as a declaration of a war against North Korea, he said.

In the Geneva talks, Washington would focus its efforts on persuading Pyongyang into accepting special IAEA inspections, and if the North Koreans refused then the United Nations would have no choice but to impose sanctions on North Korea, he said. Should North Korea allow IAEA inspectors into the two sites suspected of being part of its nuclear arms development program, albeit not in the name of special inspections, he predicted, North Korea's nuclear issue could be solved.

'Sources': U.S. May Impose Sanctions on DPRK

SK2906015893 Seoul YONHAP in English 0120 GMT 29 Jun 93

[Text] Washington, June 28 (YONHAP)—The United States and North Korea have agreed to resume their high-level talks on the North Korean nuclear issue in Geneva on July 14, a State Department spokesman announced Monday [28 June]. The spokesman, Mike McCurry, said the talks, as in the first phase in New York, will be between Robert Gallucci, U.S. assistant secretary of state for political and military affairs, and Kang Sok-chu, first North Korean vice foreign minister. The meeting will take place at the U.S. and North Korean missions in Geneva, he said.

The two sides will discuss pending North Korean issues, including outside inspections of two suspected nuclear facilities in Yongbyon, north of Pyongyang, that North Korea insists are non-nuclear military facilities, McCurry said. Gallucci and Kim will also discuss problems related to North Korea's nuclear safeguards compliance and to implementing those commitments that Pyongyang has made.

At a regular press briefing, McCurry was asked if the two countries were going into any broader issues of their relations. "I think there is no intent to expand these discussions beyond the issues that were raised and dealt with at the time of the most recent joint statement," he said.

Asked how long the talks would continue, McCurry said that the United States was prepared to see what type of progress they could make. "I wouldn't want to speculate on the duration of the talks until we see what type of progress can be made at the time they convene the first session in Geneva on July 14th," he said.

Queried if the United States set the final deadline by when North Korea should accept the international nuclear inspection, McCurry said he did not think any deadline was set. "But clearly, the U.S. delegation will arrive in Geneva hoping that progress can be made promptly on the outstanding issues," he said.

McCurry refused to comment on press reports that the United States has already notified North Korea it should accept the intentional nuclear inspection not later than the end of August. Asked if the North Korean nuclear issue was going to be discussed at the summit of the Group of Seven advanced countries, McCurry said, "It would not surprise me if this issue is discussed by the world leaders when they convene in Tokyo next month."

It was reported, meanwhile, that the United States has decided to impose firm sanctions against North Korea if Pyongyang refuses to allow international inspections of the two suspected nuclear sites in Yongbyon. Diplomatic sources said the two countries would concentrate on the two sites in their Geneva talks. The United States was expected to refer the issue to the United Nations Security Council if it was not resolved by the end of August, they said.

The United States also planned to propose a plan in which it would allow North Korean inspections of U.S. bases in South Korea along with special inspections of North Korean nuclear facilities, the sources said. North Korea, however, is expected to bring up its demand for a permanent suspension of the joint U.S.-South Korean military exercise "Team Spirit" and the question of "impartiality" of the International Atomic Energy Agency, the sources said.

Daily Criticizes U.S. for Acting Against Iraq

SK2906081893 Seoul CHOSON ILBO in Korean 29 Jun 93 p 3

[Editorial: "Punishment Which Can Be Supported by Public Opinion Should Have Been Taken"]

[Text] There are arguments for and against the U.S. missile attack on Iraq. The United Kingdom and Germany, which are U.S. allies, and Russia, which has a lot of things for which it will depend upon the United States, support the U.S. action, while Arab countries, including Egypt, which supported the United States during the Gulf war, reacted against it. It also divided the U.S. people into those who are pleased with it and those who show cold reaction to it. Many commentators analyzed that President Clinton had used Iraq as a victim to redeem his fame.

We think Iraq deserved the punishment if its state agency plotted against the life of former U.S. President Bush. Because state-sponsored terrorism against Bush, who is now a civilian, cannot be justified even though an action that the former president had taken to maintain the world order following the cold war threatened Iraq's existence.

We who have many times fallen victim to North Korean terrorism under the situation of South-North confrontation hope that all the countries in the world will undertake development of devices against terrorism with Iraq's assassination plot as a momentum. A peaceful world can only be established when terrorism is sharply denounced on the international stage by international organizations such as the United Nations.

I do not think, however, that the U.S. countermeasure against Iraq's terrorist conspiracy, which was taken at the risk of overall danger, was a proper method. The United States should have taken necessary steps before it inflicted the military punishment. Once it obtained certain evidence of the Iraqi intelligence agency's plot to assassinate former President Bush, the United States should have made it an international issue first as well as have demanded that the Saddam Husayn government explain and apologize for it. If there had been no reasonable response from Iraq to such a demand, the next step should have been sanctions against it by an international body. Punishment can be supported by public opinion when it is taken as a final step.

In this case, the United States was not in an emergency situation as one of saving human life. All that the United States aimed at must have been the demonstration of its resolve against the assassination attempt. It could have received more support if it had handled it carefully and thoroughly.

Dogmatic actions reflecting only the U.S. position are not proper for the United States, which has survived as the only superpower in the world, if it is to play the role of international police force. Taking such actions may cause the United States to be lonely. The United States must win confidence and popularity as the leading country in order to play the leading role for the new order following the cold war. It can win it only when it pays attention to international consensus.

BAI Asks U.S. Firms To Document Yulgok Project

SK2906035893 Seoul YONHAP in English 0230 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—The Board of Audit and Inspection (BAI) was reported Tuesday to be trying to obtain documents from U.S. arms manufacturers to facilitate its investigation into the purchase of South

Korea's next generation of fighter aircraft. The BAI was negotiating with the Foreign Ministry to ask the U.S. Government to help it obtain the documents, informed sources said.

BAI officials, however, were pessimistic about getting any information on U.S. arms makers since the U.S. Government would no doubt try to protect the interests of American companies, the sources said. The BAI has been investigating the process in which the previous administration, of President No Tae-u, changed its initial selection of the F-18 to the F-16. Investigators suspect that bribes or payoffs were made in the process.

The investigation is part of the BAI's probe of the nation's military buildup program, known as the Yulgok project, in which the government selected the next generation of fighter aircraft. The BAI has been looking into the selection process but has encountered difficulties since opinions of experts vary and the claimed advantage of one aircraft over the other was by no means decisive, the sources said.

The documents that the BAI wants to have are those held by General Dynamics and some 10 other companies who are the manufacturers of the F-16. The documents include contract papers, terms of purchase and other records on financial transactions, the sources said. The BAI also wants papers on the sale of the F-16 from the General Accounting Office (GAO), and accounting records of arms manufacturing companies from the Securities and Exchange Commission (SEC), the sources said.

U.S. To Pressure Seoul To Open Cell Phone Market

SK2906033593 Seoul YONHAP in English 0253 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—Washington may push Seoul harder to open its cellular phone market, Trade, Industry and Energy Ministry officials said Tuesday. In a recent report to Congress on export competitiveness, the U.S. Commerce Department said that, despite the Korean Government's efforts to remove them, American firms still faced systematic trade barriers in Korea, the officials said.

U.S. Government organizations, including the Commerce Department's National Telecommunications and Information Administration (NTIA), were making efforts to alter Korea's system of equipment procurement as it has a decisive effect on American telecommunications exports, they cited the report as saying. The Commerce Department said that to open Korea's mobile telephone market to U.S. telecommunications equipment and service companies, the NTIA was offering information on the technology of efficient electric wave control and renovation of cellular phone networks, hinting at a U.S. call for free market access to be shown during the selection of a new cellular carrier.

The report praised the Seoul-Washington agreement on customs clearance, standards, investment, and technology, reached during the Presidents' Economic Initiative (PEI), and said that the Korean Government was making changes in related laws and regulations to ease business conditions for American firms. It paid particular attention to the results of the PEI on Korea's cellular phone market, reflecting its interest in the matter, the officials said. In view of Washington's positive appraisal of the PEI, Seoul should make full preparations for the Dialogue for Economic Partnership (DEP), the PEI's sequel, to be signed during U.S. President Bill Clinton's visit to Seoul early next month, they said.

Seoul, Tokyo To Counter DPRK Nuclear Efforts

SK2906105793 Seoul YONHAP in English 1049 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—South Korea and Japan agreed Tuesday to jointly counter North Korea's missile development and sale and cooperate for fullscope nuclear inspection on Pyongyang. Visiting Japanese Foreign Minister Kabun Muto, meeting his South Korean counterpart Han Sung-chu, said the Tokyo government will urge the G-7 summit to adopt a resolution demanding North Korea's compliance with international and inter-Korean nuclear inspection.

On bilateral issues that focused on resolving the unhappy past, Han called for an "objective, reasonable and unbiased" approach. "For this, Han asked that Tokyo admit beyond doubt that force was involved in recruiting comfort women," Yu Pyong-u, Foreign Ministry's director-general of the Asian Affairs Bureau, said after the meeting.

Han raised the issue of some 8,000 Koreans abandoned on the Soviet soil of Sakhalin by the Japanese Government at the end of World War II, and Muto agreed to form a working-level group to negotiate their repatriation and compensation. Muto had come to Seoul earlier Tuesday for the foreign ministers' talks where North Korea's recent missile tests, nuclear suspicion and resolution of unhappy past between Seoul and Tokyo were key topics.

Muto, expressing "deep concern" at North Korea's recent test of its Nodong-1 missiles known to have at least 1,000km in range, said Tokyo protested the test to Pyongyang through its Beijing embassy but was bluntly told "not to interfere," Yu said. Han agreed that the action seriously undermines regional peace and promised close cooperation in counter Pyongyang's missile development and sales, he said.

Japan enumerated three conditions to fully solving North Korea's nuclear suspicion—North Korea's return to the Nuclear Nonproliferation Treaty, compliance with inspection by the International Atomic Energy Agency

(IAEA) and acceptance of inter-Korean nuclear inspection. The foreign ministers agreed they should work together to see all these requirements met by North Korea, said Yu.

Muto explained that the G-7 summit next month in Tokyo is likely to adopt a resolution demanding the same three requirments. On the issue of comfort women, a euphemism for tens of thousands of Korean women taken to frontline brothels as sex slaves for Japanese soldiers during World War II, Han asked Tokyo to "show a clear will to learn from the past," Yu said in the post-meeting briefing.

Han made three demands that Tokyo must meet for a clear resolution of history. "Japan must admit it used force in recruiting the comfort women, reveal every account related to the comfort women, and show the will that it will learn from this part of history," Yu said.

Han addressed Japan's responsibility for some 8,000 Koreans left behind after being forcibly taken to Sakhalin as laborers, telling Tokyo to take preventive measures before this issue, like comfort women, develops into a major diplomatic knot. Muto replied that Tokyo is studying the matter and agreed to working-level negotiations to formally tackle the issue.

On redressing the heavily imbalanced trade in Tokyo's favor, the two foreign ministers shared a general consensus that the phenomenon must be left to be solved by economic principles. But Han urged Japan to do its part such as wider opening of its construction market and removal of tariff and non-tariff barriers.

More on Japanese Reporter Receiving Military Data

Ministry Releases TV Producer

OW2806082993 Tokyo KYODO in English 0804 GMT 28 Jun 93

[Text] Seoul, June 28 KYODO—South Korea's Defense Ministry on Monday [28 June] released a Japanese television producer detained since Saturday on suspicion of receiving classified military intelligence from a navy officer, officials said. However, Masato Shinohara, 39, Seoul bureau chief of Japan's Fuji Television Network, is prohibited from leaving the country, the officials said.

Prosecution Books Correspondent

SK2806122293 Seoul YONHAP in English 1137 GMT 28 Jun 93

[Text] Seoul, June 28 (YONHAP)—The military investigation and prosecution authorities, probing the case of the leak of classified military information, on Monday afternoon set free the Japanese correspondent suspected of having acquired military secrets from a Korean Navy officer. Before being freed, however, he was booked on charges of violating the law on the protection of military secrets and banned from leaving the country pending the completion of his case.

A prosecution official said Masato Shinohara, Seoul bureau chief of Japan's Fuji television, was booked but let go home because he obtained the classified items for reportorial purpose, not for delivery to third persons, and because of the fact that the items did not bear "secret" stamps with the exception of one item, "a study of the Gulf war and Korean security."

Shinohara was quoted as telling investigators that he had destroyed all the items he received from Lt. Cmdr. Ko Yong-chol after using them in writing articles for a Japanese magazine, "KUNJI KENKYU (MILITARY STUDY)."

Journalist Suspected of Passing Data

SK2906082693 Seoul YONHAP in English 0607 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—The prosecution was investigating Tuesday a Japanese television correspondent on suspicion that he passed some classified military documents to a third party after obtaining them from a Korean Navy lieutenant commander [Lt. Cmdr.]. Masato Shinohara, 40, Seoul bureau chief of Japan's Fuji Television Co., is booked without physical detention on charges of getting the classified papers from Lt. Cmdr. Ko Yong-chol, 40, of the defense intelligence headquarters.

One official at the Seoul District Prosecutor's Office, which is in charge of the case, said investigators now suspect that Shinohara may have passed a classified document to a third party. "If the prosecution finds evidence that backs up its suspicion, it will have to arrest Shinohara for further investigation," the official said, asking that his name be withheld.

The Defense Security Command, meanwhile, has obtained articles or manuscripts by Shinohara that have been or are about to be published in Japan or in South Korea, and is analyzing their contents. Among Shinohara's manuscripts was an article on his visit to the 7th U.S. Air Force base, scheduled to be published in the Japanese monthly "PEACE" but scrapped at the last moment because there was a possibility that it could violate Japan's military secret protection law.

In a related development, the Defense Security Command made an interim announcement on its investigation of the case Tuesday and said that Ko apparently had handed the classified documents to Shinohara because of his indiscretion and his personal desire to get promotion. The command said it could not find any evidence of organized efforts to obtain secret papers.

Journalist Said To Have Visited DPRK

SK2906111593 Seoul YONHAP in English 1104 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—The Japanese correspondent suspected of having obtained classified military materials from a Korean naval officer was found on Tuesday to have visited North Korea twice in 1987 and 1991. An official at the Seoul District Prosecutor's office said it was confirmed that Masato Shinohara, Seoul bureau chief of Japan's Fuji Television, accompanied a group of Japan Socialist Party lawmakers to their visit to North Korea in July 1987.

On his second visit, he was accompanying a Foreign Ministry team attending a meeting of Japan-North Korea normalization talks in January 1991. "It appears Mr. Shinohara's visits to North Korea were to cover the visits by Japanese officials. But, we are looking into details of his visits to Pyongyang in view of his acquisition of classified military items," the official said.

A prosecution source said it has so far been determined that Shinohara obtained five items of military secrets and 31 other military-related materials from two Korean military officers. One of the two officers was Lt. Cmdr. Ko Yong-chol of the intelligence headquarters of the Defense Ministry, and the other an Army major identified only as Chong assigned to the Korea Institute of Defense Affairs.

Shinohara is under suspicion of passing two of the items to a former Japanese military attache in Korea and another to an official of a Japanese international affairs institute. His delivery of the items to third persons leads Korean investigators to suspect that he might have passed other items, too, to Japanese Government officials or even to a third country or countries, the source said. The Defense Security Command summoned Shinohara again on Tuesday to question him about his visits to North Korea.

Foreign Minister Meets Czech Counterpart in Seoul

LD2506212693 Prague CTK in English 1657 GMT 25 Jun 93

[Text] Seoul, June 25 (CTK)—Czech Foreign Minister Josef Zieleniec, whose tour of five Asian states today brought him to the Republic of Korea, met Foreign Minister Han Sung-chu in Seoul. Zieleniec told journalists that seen from Korea, at so great a distance, the differences between the countries of Central Europe and those of Eastern Europe tended to become blurred. If a whole area was denoted as unstable because of the situation in a few countries, this had a certain effect on trade relations. He therefore saw his task as being to explain to his Korean counterpart that the Czech Republic was economically and politically stable.

The foreign ministers held talks on the practicalities of trade contacts between the Korean and Czech Republics, and about agreements to prevent double taxation and protect investments. The mutual lifting of visa requirements was also considered.

The governments of both countries would look for ways to support cooperation on trade, Zieleniec said, adding that the countries' strong points complemented each other. On the Korean side, these were the ability to digest technological progress quickly and to produce competitively-priced goods, whereas the Czech advantages were its geographical position and its unequivocal political development, he explained.

Prague Willing To Sell Nuclear Material

LD2606095293 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0830 GMT 26 Jun 93

[Text] Czech Foreign Minister Josef Zieleniec said during talks with ROK President Kim Young Sam that if necessary the Czech Republic would sell South Korea scientific and technological material concerning the nuclear industry, which the former Czechoslovakia had been selling to Pyongyang until 1988.

In the framework of cooperation between Prague and Seoul, South Korea wants to support the Czech Republic in its efforts to become a non-permanent member of the UN Security Council.

PRC Requests Loan Extensions for Nine Projects

SK2906082893 Seoul YONHAP in English 0602 GMT 29 Jun 93

[Text] Beijing, June 29 (YONHAP)—China has asked South Korea for loans from the Economic Development Cooperation Fund (EDCF) for nine projects, an informed Chinese source said Tuesday. Beijing had applied for EDCF loans for nine projects, including construction of roads, bridges and factories, the source said. "It is in accordance with a bilateral agreement through diplomatic channels that Seoul will provide China with EDCF loans for development projects," he said.

The fund was set up by the Seoul government to extend economic assistance to developing countries. A Chinese delegation of officials from the foreign economic relations and Trade Ministry was expected to visit Seoul in early July and discuss details with Korean officials, he said. "As far as I am aware, the Korean Government is conducting a feability study on the projects under a decision that it will extend the loan for development programs in China but hasn't yet decided how much it will provide to us," he said.

Since Korea would make the loan to help consolidate ground for Korean businesses to venture into the Chinese market, the amount might exceed 100 million U.S. dollars. This is the amount Western countries usually extend to China in their special governmental loans.

Extension of the loan by the Seoul government just when the two countries will observe the first anniversary of the normalization of ties, coupled with further economic exchanges, appears to some from a judgment by Seoul that it needs to lay a permanent base for expanding entry into the Chinese market given current conditions. The Western countries, including Japan, have been hectic in making deep inroads into the Chinese market by providing Beijing with various economic assistance programs.

Exports to PRC Account for 8.3% of Jan-Apr Total

SK2806011293 Seoul YONHAP in English 0027 GMT 28 Jun 93

[Text] Seoul, June 28 (YONHAP)—China is becoming a major buyer of South Korean products with direct imports totalling 2 billion U.S. dollars in the first five months of the year, or 6.3 percent of the total Korean exports of 31.77 billion dollars, the Trade, Industry and Energy Ministry said Saturday [26 June]. These exports to China accounted for 0.9 percent of the total in 1990, 1.4 percent in 1991, and 3.5 percent last year.

The figure is much higher when indirect exports, such as via Hong Kong, are included, ministry officials said. January-April exports to the communist country were 8.3 percent of the total—indirect exports of 439 million dollars and direct exports of 1,074 million dollars.

Considering that some 75 percent of China's exports and imports pass through Hong Kong, a considerable amount of Korea's shipments make their way into China via the British colony, the officials said. The growth in export dependency on China can be attributed to sluggish advancement in the United States, Japan and the European Community, while exports to China surged 155.4 percent as of May.

Korea's exports to China are likely to account for more than 10 percent of its total by the year-end if the trend continues, the officials forecast. Total exports will also be heavily affected by the devaluation of the Chinese currency, they said.

Firms Seek To Commercialize Russian Technology

SK2606045693 Seoul THE KOREA HERALD in English 26 Jun 93 p 8

[Text] With Seoul taking part in Moscow's conversion of defense industries to civilian use, South Korean companies aim to obtain Russia's defense-related up-to-date technologies in order to commercialize them. A group of Korean business experts will visit Russia July 25 to seek advanced technology and new industrial materials in such areas as telecommunications, shipbuilding, computers, aerospace and electronics.

"The Korea Trade Promotion Corp. (KOTRA) will send the group to the former Soviet country to help Korean companies obtain Russian top-notch technologies in order to strengthen their overseas competitiveness," said Yi Kwang-hui, a KOTRA official, yesterday. The trade mission will consist of officials from KOTRA and the Ministry of Trade, Industry and Energy and business experts from 12 companies. The companies include Korea Heavy Industries & Construction Co., Mando Machinery Corp. and Samdo Trading Co.

On May 24 in Seoul, Korea and Russia signed an agreement to actively cooperate for the privatization of Moscow's military industry and to jointly develop 294 advanced technologies in 13 industrial fields. The 294 technological sectors include aerospace, illumination, medical, optical equipment, telecommunications, shipbuilding, electronics and superconductors.

Under the agreement, the trade mission will examine ways to take part in the conversion while consulting with the Russian Federation of Defense Industries, said Yi, manager of East Europe Division at KOTRA. "South Korean companies must actively participate in the conversion if they want close technological cooperation with Moscow, because the Russian defense industry holds more than 70 percent of the country's total advanced technologies," he said.

However, Korean companies, Yi went on, before acquiring Russian technology, should keep in mind that most of Russia's defense industry technology can not immediately be used in producing civilian goods. "For this reason, local companies should either invite Russian scientists to Korea or send their technical experts to Moscow so that they can obtain the former Soviet country's top-notch technologies directly. Among the two choices, the latter will be most efficient," Yi said.

On the type of investment, he noted Korean businesses need to set up joint ventures under long-term strategy to best penetrate the Russian market, which has abundant natural resources and huge purchasing power. Moscow, Pyongyang's former ally, plans to privatize 555 companies producing weapons and other military supplies by 1996.

Seoul, Warsaw Sign Technology Cooperation Pact

SK2906084093 Seoul YONHAP in English 0610 GMT 29 Jun 93

[Text] Seoul, June 29 (YONHAP)—South Korean Science and Technology Minister Kim Si-chung and Witold Karczewski, Polish minister of the State Committee for Scientific Research, signed an agreement on science and technology cooperation Tuesday. It was the first meeting between the science and technology ministers of the two countries, which will begin joint research in two or three areas this year.

Researcher and information exchanges will be made between the Korea Science and Engineering Foundation and the Polish Science Academy. The Korea Institute of

Science and Technology and the Polish Schlesien Engineering College will also cooperate.

A Korean delegation will visit Warsaw late this year to study physics, chemistry and medicine areas where Poland leads Korea. It was agreed to set up a joint committee for science and technology and for it to meet every two years.

Keating Visit to ROK, Economic Links Discussed

BK2606111493 Melbourne Radio Australia in English 0803 GMT 26 Jun 93

[From the "International Report" program presented by Helene Chung—recorded]

[Excerpt] [passage omitted] [Chung] As in China, in South Korea, the focus of Mr. Keating's visit has been on economic links. South Korea is Australia's fourth largest export market and its fifth largest trading partner. John Wood, [word indistinct] of Australia's South Korea Desk:

[Wood] He would like through his visit to strengthen and diversify that economic relationship. He'd also like to expand the bilateral relationship with South Korea on regional issues particularly those involving APEC [Asia-Pacific Economic Cooperation] and regional security, and he had discussions on those subjects with President Kim Yong-sam. But he also has an important objective and that is to use the visit to encourage Australians to understand Korea in greater detail and to come to appreciate the quality of that country.

[Chung] In Seoul Prime Minister Keating was confronted by the bilateral trade imbalance—three to one—against South Korea. When told by the Korean Free Trade Association that a bold opening of Australia's market would lead to a trade balance, he tried to allay concerns as reported back in Australia.

[Unidentified person] Mr. Keating is attempting to promote Australia's export of manufactured products and technology during his first official visit to the country. But the imbalance in Australia's favor was raised at the Foreign Trade Association function and in talks with South Korea's prime minister. Mr. Keating says trade must be seen on a multilateral basis, pointing to Australia's $7 billion deficit with the United States.

[Keating] What may be your trade surplus from time to time with the U.S. is our trade deficit. And I think it isn't saying that in the broad picture is the way you see it. [sentence as heard]

[Chung] As an example of Australia's open market, trade officials point to last year's 45 percent growth in the sale of Hyundai cars from South Korea. Although Mr. Keating described bilateral relations as being in sound shape, he criticized Australian business leaders for being slow to take up opportunities in South Korea. [passage omitted]

Foreign Minister Explains New Foreign Policy

SK2806144393 Seoul KBS-1 Television Netork in Korean 2315 GMT 27 Jun 93

[Interview with Han Sung-chu, ROK foreign minister, by Yi Chong-su, KBS correspondent and mediator of interview; Hwang So-ung, HANGUK ILBO correspondent; and Pak Chun-yong, professor of Ehwa Woman's University; with correspondents in KBS-1 studio and Foreign Minister Han appearing via video screen from an unidentified location—date not given; first three paragraphs are mediator Yi's introduction]

[Text] [Yi Chong-su] It is said that world history today has changed from the age of Europe to the age of the United States and now to the age of Asia and the Pacific. However, the recent moves in Europe lead us to suspect that world history is returning to the age of Europe again. I have recently visited Germany to have a first-hand look at Germany after three years of reunification, and felt that there is the possibility of a return to the European age.

What worries us is that if the age of Asia and the Pacific comes with Korea divided between the North and the South and with the ROK stalled on the threshold of developing itself into an advanced country, and with countries like Japan exercising their greater power over countries like us, we will gain little. Therefore, the new government in the era of civilian democracy declared a new foreign policy so as to help bring forth a desirable age of Asia and the Pacific as soon as possible, opening a breakthrough in this difficult situation, so that the ROK may play a leading role in world history.

However, the North Korean nuclear issue has been a stumbling block delaying the promotion of our new foreign policy to a certain degree. The "KBS Policy Diagnosis" program today will intensively deal with the pending issues of our foreign policy under the subject of "The Foreign Policy of the Era of Civilian Democracy—the New Diplomacy."

[Hwang So-ung] Foreign Minister Han Sung-chu is now on the screen. How would you bring into harmony the new foreign policy declared by the new government and our relations with the four major powers, namely, the United States, Japan, China, and Russia?

[Han Sung-chu] Even if we extend our vision wider into the world and pursue the values common to mankind, there should not be any significant change in our relations with the four major powers. Our allied relations and cooperative relations with the United States will continue to deepen, our relations with Japan will develop with a long-term view, and we will continue to have friendly relations with China and Russia.

[Yi] Our immediate concern is the ROK-U.S. summit talks scheduled for early July in Seoul. What agreement on what issues do you anticipate from the talks?

[Han] Summit talks tend to establish the characteristics of principled and overall relations between the countries rather than reaching agreement on specific issues. In particular, the upcoming summit talks are the first talks for the two countries since the establishment of the new governments in both countries, in contrast to regular talks like the G7 [Group of Seven] summit. Therefore, the two countries will promote understanding on broad issues and strengthen their ties through the talks by reconfirming the relations between the two countries to date, confirming, in particular, cooperative relations in coping with the security issues, including the North Korean nuclear issue, confirming cooperation for the Pacific era, and establishing and committing to continued productive relations on economic issues.

[Yi] What is the major specific idea you have in the pursuit of a new foreign policy as the government endeavors to bring a solution to the North Korean nuclear issue, to promote our relations with the four major powers, and to extend our diplomacy with a wider vision into the world?

[Han] Our foreign policy has so far been characterized by what we may call limping foreign policy because of our peculiar position as a country which has to pursue economic development with the disadvantage of its national division, and as a country which has suffered from the Korean war. We had to conduct diplomacy of begging votes from many countries in the United Nations and in various continents because we had no diplomatic relations with many countries and because we had to compete with North Korea. But now we are capable of conducting diplomacy as a mature and normal state thanks to our economic and political situation at home. Externally, the world has changed greatly making it necessary for us to conduct diplomacy with a new outlook. That is why we are pursuing a new foreign policy.

As a specific example of our new foreign policy, I made the most progressive and positive speech that an ROK foreign minister has ever made on the human rights issue at the human rights conference held in Vienna last week. This does not remain only a speech. When I stress morality and ideal diplomacy, I do not mean a diplomacy departing from reality. I should like to emphasize a diplomacy that brings practical benefit to us. For instance, the diplomacy is concerned with our relations with the advanced countries, with the issues relating to our own reform, such as our own human rights and the moral issue. It is also aimed at promoting our economic interests and the prestige of our country. Our new foreign policy will reveal its more specific nature in time and it will be put into practice. The new foreign policy has, in fact, begun to be implemented in such a form as our positively participating in international peace operations and environmental problems. This shows that our foreign policy is pursuing pluralism and diversification.

[Yi] There are different evaluations of the outcomes of the recent U.S.-North Korean talks. How has the spirit of the new diplomatic policy been reflected in the U.S.-North Korean talks?

[Han] North Korea's nuclear issue had been raised before we declared the basic characteristics of a new diplomacy. North Korea's nuclear issue will exist for a considerably long period. We have mapped out a policy to resolve this issue through international cooperation and a peaceful way. There are different evaluations of the U.S.-North Korean talks. However, we have evaluated the U.S.-North Korean talks as positive. The outcomes of the U.S.-North Korean talks will help advance the resolving of the North Korean nuclear issue. With North Korea's remaining in the Nuclear Nonproliferation Treaty [NPT], the International Atomic Energy Agency [IAEA] can now inspect North Korea's nuclear facilities. If North Korea begins a game of withdrawing from the NPT once again, immediate and strong international sanctions can be imposed on North Korea.

[Hwang] How long will North Korea suspend its decision to withdraw from the NPT? What is your opinion on a worst-case scenario if North Korea refuses to receive nuclear inspection and is forced to receive U.N. sanctions. Could North Korea leave the United Nations?

[Han] We hope that such a situation will not take place. North Korea has decided to stay with the NPT by suspending its decision to withdraw from the NPT. However, there is no major difference between suspending the decision to withdraw from the NPT and completely returning to the NPT. Even if North Korea completely returned to the NPT, North Korea could declare its withdrawal from the NPT anytime as a sovereign state. In addition, if North Korea reversed the suspension of its decision to withdraw from the NPT, this would be the starting point of its NPT withdrawal. Thus, North Korea would no longer be able to use the card of withdrawing from the NPT. If North Korea reverses the suspension of its decision to withdraw from the NPT, the member states of the UN Security Council, including the United States, will think that an appeasement policy toward North Korea does not work any more. Even if North Korea has used the phrase—suspending its decision to withdraw from the NPT—reversing the suspension of its decision to withdraw from the NPT would bring about great cost and danger to North Korea. It is inconceivable that North Korea would reverse the suspension of its decision to withdraw from the NPT.

The next U.S.-North Korean talks will be centered on the issue of the IAEA's inspection of North Korean nuclear facilities. Of course, the United States is not in a position to discuss the issue of nuclear inspections with North Korea in place of the IAEA. However, under the circumstances in which North Korea is claiming that an atmosphere be created for receiving the IAEA's nuclear inspections, if the IAEA achieves its result by creating an atmosphere for North Korea to save face, this will be progress in resolving the nuclear issue.

[Pak Chun-yong] If our purpose and attitude toward North Korea's nuclear issue are clearly expressed, this will be helpful in correctly evaluating the U.S.-North Korean talks. It is necessary for the ROK Government to clearly express its position concerning the next U.S.-North Korean talks.

[Han] It is true that because the course of the U.S.-North Korean contact and the course of the ROK-U.S. negotiations are classified, we cannot make public all of them in detail to the people. However, I can say that when the U.S.-North Korean talks took place, we were not in an observer's position but we were participants along with the United States.

From the beginning, our purpose and direction toward North Korea's nuclear issue have been clear. Our purpose and position toward the U.S.-North Korean talks are as follows: When North Korea's nuclear issue is not resolved, the UN Security Council should clearly take a strong measure against North Korea. In the course of taking a strong measure against North Korea, we should get North Korea to abide by an international duty by creating an atmosphere for North Korea to save face. For example, our purpose and reason [myongbun] for the U.S.-North Korean contact are as follows: first, because North Korea wants to hold a contact with the United States, if the nuclear issue is able to be resolved by allowing North Korea to hold contacts with the United States, the U.S.-North Korean contact is a thing that we can concede to North Korea; second, the UN Security Council could pass the 11 May Resolution because the U.S.-North Korean contacts took place. When the UN Security Council later needs to take a strong measure against North Korea, the U.S.-North Korean contact will be a reason [myongbun] for taking a measure against North Korea.

For this reason, it is said that we have made concessions to North Korea and that North Korea has been satisfied with the outcomes of the U.S.-North Korean talks. North Korea has a reason for being satisfied with the outcomes of the U.S.-North Korean talks. However, North Korea was domestically in a difficult position so that it could not but declare its victory in the U.S.-North Korean talks to its high echelons and people. In addition, if North Korea is satisfied with the outcomes of the talks with the United States, this is a positive thing.

[Yi] President Kim Yong-sam said in an interview with the BBC that the United States should not make a concession to North Korea any more and suspension of its decision to withdraw from the NPT can be a North Korean strategy for war. How do his remarks relate to your remarks?

[Han] President Kim Yong-sam's remarks are aimed at stressing that North Korea's intent cannot be reliable, that we should prepare for the possibility of war, and that we do not think that North Korea will easily make a concession on the nuclear issue.

For example, the suspension of its decision to withdraw from the NPT is not based on a well-intended policy. North Korea has been forced to suspend its decision to withdraw from the NPT. The issue of the IAEA's nuclear inspections will be full-fledgedly discussed at the next U.S.-North Korean talks. North Korea will not be willing to receive nuclear inspections but will be forced to receive nuclear inspections. If North Korea does not receive nuclear inspections, this will bring about a great disadvantage to North Korea. North Korea has decided to stay with the NPT through the U.S.-North Korean contacts. Even if the worst case occurs, North Korea refuses to receive nuclear inspections and to abide by international obligations, it is possible for us to take international strong measures against North Korea through the UN Security Council and to get agreement from the member states of the UN Security Council. If North Korea decides not to stay with the NPT after contacts with the United States, we cannot get an agreement from the UN Security Council. As a result, we cannot have our own influential leverage to prevent North Korea from developing nuclear weapons. The U.S.-North Korean contacts are indispensable in two respects—first, should North Korea be dissuaded from developing nuclear weapons because of the talks, it will be a good thing; second, even if North Korea is not dissuaded from developing nuclear weapons, there can be a reason [myongbun] to take strong measures against North Korea.

[Hwang] Do you have anything in mind to promote a dramatic package solution to arrange the simultaneous establishment of U.S.-North Korean and Japanese-North Korean diplomatic relations in exchange for North Korea's abandonment of using the nuclear card?

[Han] There is no possibility at all for us to do so at this time. We can divide the whole process for this into the following three phases: We have accomplished the first phase—the purpose of having North Korea stay in the NPT; the second phase is to have North Korea receive a special inspection by the IAEA; and at the final phase, if the special inspection is accepted by North Korea, we can take up other issues including the establishment of U.S.- North Korean diplomatic relations. There, however, is no possibility for resolving the issues of improving relations or establishing relations and for resolving the nuclear issue on a package basis by means of a give-and-take deal.

[Pak] We should not force North Korea to give up its nuclear development. Instead, we should provide North Korea with more opportunities for exchange and arrange for the establishment of U.S.-North Korean diplomatic relations so that North Korea can find it no longer necessary to use the nuclear card. I think that these are desirable approaches to stop North Korea's nuclear development. What do you think about this?

[Han] I have purposely avoided using the word sanctions. We should put on hold for a while the possibility of taking strong measures including sanctions against North Korea if it fails to abide by international duties. At this moment, we are at the stage of persuading North Korea to live up to international duties.

If we eliminate the possibility of taking these strong measures against North Korea and from the beginning approach it with carrots such as exchange, cooperation, and improvement of relations, we will lose a lever to force North Korea to do so when it refuses to resolve the nuclear issue, to abide by international duties, and to receive the inspection.

I think that Professor Pak's suggestion is not a realistic approach for us to take under present circumstances although it is an idealistic one.

[Hwang] North-South dialogues are stalemated because of North Korea's nuclear issue. Would you please tell us about the government's policy toward the North and its specific policies on North-South dialogue?

[Han] To be exact, the overall policy toward the North is in the domain of the National Unification Board minister. Regarding the nuclear issue, North Korea seems to be keeping its eyes on the outcome of U.S.-North Korean dialogue. If North Korea demands the mutual inspection of military bases in the ROK while it is receiving IAEA inspection which is the second phase, then this cannot be resolved without holding North-South dialogue. The same goes with the Team Spirit joint military exercise. North Korea, however, does not have to hold North-South dialogue if it receives the IAEA inspection without taking issue with mutual inspection. If North Korea really wants mutual inspection, it should hold dialogue with us.

The improvement of North-South relations is a firm precondition for the final phase, that is, the improvement of U.S.-North Korean relations or the improvement of Japanese-North Korean relations. If North Korea, therefore, wants to improve relations with the United States, it has no choice but to resume North-South dialogue. We are always keeping the door for North-South dialogue open and the choice is North Korea's.

[Yi] Although both East and West German Governments did not want German reunification, it was brought about because the East German people wanted it. The Soviet Union has collapsed without having used nuclear weapons. If we are too afraid of North Korea's nuclear threat card, then we are afraid that North Korea may take advantage of it. It is desirable for us to promote exchange and openness toward North Korea and to have North Korea give up its nuclear development at the same time, is it not?

[Han] Of course, reunification can possibly take place through changed circumstances even though we do not intend to bring it about or we do not directly intervene in it. If this happens to our country, it is really a desirable thing.

If North Korea, however, develops nuclear weapons, it will inevitably not only extremely worsen North-South security, but will also pose a great threat to us and trigger nuclear proliferation in all of East Asia. It will also aggravate security in East Asia. We, therefore, should deter North Korea from developing its nuclear weapons and refrain ourselves from conducting North-South exchanges and cooperation to help deter development. It is our conclusion that North Korea will find no reasons for stopping nuclear development as long as we continue to pursue North-South exchange and cooperation. We, thus, cannot but link economic cooperation, exchange, and other issues to the nuclear issue.

[Yi] An advance team of 30 soldiers is scheduled to leave the day after tomorrow in order to participate in the Somali peacekeeping operation [PK0]. Can you tell us about their safety problem in connection with the operation?

[Han] The PKO activities are always carried out in the areas in dispute and the activities inevitably entails a safety issue. This is why we have decided to dispatch an engineering unit instead of an infantry unit from the beginning. From an early stage, we have paid attention to the safety issue in the Somali peacekeeping activities. Because of a series of recent developments in Somalia in particular, we have been closely consulting with Italy on special guard and assistance in case of emergency. Italy dispatched infantry troops to the area near where our PKO command and engineering unit will be. Our missions in the United Nations, Ethiopia, and Kenya will watch out for our soldiers' safety. Relevant director-general (Ambassadorial level) and assistant director-level official from the Foreign Ministry plan to meet and consult with U.N. officials in Somalia on their safety.

The Somali situation has been greatly stabilized. The area for our engineering unit's activities is far away from the place where the dispute is taking place. It seems that our soldiers are safe under the current situation. We plan to send Foreign Ministerial high-level officials to the site to ensure their safety.

[Yi] If we are successful in the new diplomacy of the civilian government era, we will see a great development in our history. If we fail, we will experience the opposite consequence. The success or failure of the new diplomacy depends on how we resolve the present nuclear issue through the new diplomacy and how we can carry out the Somali peacekeeping activities successfully.

Seoul Wants APEC Conference Upgraded to Summit

SK2906035793 Seoul THE KOREA HERALD in English 29 Jun 93 p 2

[Text] South Korea wants to tap the possibility of upgrading the ministerial conference of Asia-Pacific

Economic Cooperation (APEC) to a multilateral summit during the third preparatory meeting for the fifth APEC ministerial conference in Seattle this week, a Foreign Ministry official said yesterday. He said several member countries, including the United States and Australia, are very active in the drive to realize the summit.

Even some members of the Association of Southeast Asian Nations (ASEAN) have stated support for the idea of an APEC summit, the official said. The South Korean government, in accordance with a recent proposal for such a summit by President Kim Young-sam, is actively pursuing the Asia-Pacific leaders' meeting, he said.

Assistant Foreign Minister for Policy Planning Kwon Pyong-hyon left Seoul yesterday to attend the third APEC preparatory meeting to be held in Seattle from Wednesday through Friday. Kwon brings with him an idea of "rationalizing" the APEC organization, the official said. The proposal is aimed at setting the future course of the 15-nation forum and bringing their joint projects to fruition, he said. The official, however declined to go into details, saying that he can reveal details only after the discussion with other member countries.

During the Seattle meeting, the assistant minister-level officials of the APEC countries will also discuss whether to allow APEC membership to Mexico and Papua New Guinea and the adoption of a trade investment framework agreement, the official said. The fifth APEC ministerial conference is scheduled in Seattle Nov. 17-19 this year. APEC is composed of 15 countries—Australia, Canada, China, Hong Kong, Japan, New Zealand, South Korea, Taiwan, the United States and six ASEAN members.

Former Army Chief Terms 12 Dec Action 'Coup'

SK2606031793 Seoul YONHAP in English 0214 GMT 26 Jun 93

[Text] Seoul, June 26 (YONHAP)—Chong Sung-hwa, a former Army chief of staff and martial law commander, was quoted as saying on Friday that the revolt staged by junior officers against him and the military establishment on Dec. 12, 1979, was definitely a coup d'etat. Chong defined the incident as a coup d'etat in an interview with the main opposition Democratic Party, which was investigating the affair that propelled Chon Tu-hwan to power following the assassination of President Pak Chong-hui on Oct. 26 the same year. His testimony was released by the party Saturday.

President Kim Yong-sam, the first civilian president in 32 years, said the Dec. 12 affair was "a coup-like incident," but the nation should leave its evaluation to history. Unsatisfied with the presidential recommendation, however, the Democratic Party formed a special committee to dig out all the facts behind the incident and punish those who grabbed power by means of a military coup.

The Dec. 12 incident was definitely a coup d'etat staged by a number of political military officers belonging to a private group called "hana-hoe" who took advantage of the political vacuum, Chong told the Democratic Party committee. "They had not only arrested the martial law commander (himself) without approval of the president, but revolted against the chain of command, occupied the Defense Ministry and the Army headquarters, and blockaded the prime minister's official residence," Chong said.

"There is no excuse for them," he was quoted as saying. Therefore, Chong insisted, the government ought to bring the main plotters of the coup d'etat to justice.

If the government failed to do so, Chong said, he would consult with Chang Tae-wan, a former commander of the Capital Garrison Command, and other victims of the coup and raise a suit by the end of July. Chong also demanded that Choe Kyu-ha, president of the country at that time, Former Defense Minister No Chae-hyon and others in the military and high government officials should be made to take responsibility for their inability to prevent the incident.

BAI Starts Peace Dam Probe With NSP Inspection

SK2806041693 Seoul YONHAP in English 0241 GMT 28 Jun 93

[Text] Seoul, June 28 (YONHAP)—The Board of Audit and Inspection (BAI) began a special inspection of the Agency for National Security Planning (NSP) on Monday as part of its probe into the Peace dam. In the first inspection ever of the former KCIA, the BAI is to focus on the NSP's analysis and assessment of North Korea's Kumgang Dam, including its purported use and maximum capacity, as the data led to the construction of the Peace dam, informed sources said.

Employing 17 investigators in its probe, the BAI will also look at the roles of the Defense and Construction Ministries and the Korea Water Resources Corp. in Peace dam construction. At the Construction Ministry and Water Resources Corp., investigators will examine the dam master plan, process plans and construction costs. The sources said the investigations of these two agencies would put stress on whether the equipment used in the dam construction was properly used after the project and where donations of 66.1 billion won (82.6 million U.S. dollars) from the public were used.

Burma

Khin Nyunt Warns Against Politicizing Convention

BK2906100193 Rangoon Burma Television Network in Burmese 1330 GMT 28 Jun 93

[Excerpts] Lieutenant General Khin Nyunt, chairman of the National Health Committee and secretary-1 of the State Law and Order Restoration Council [SLORC], attended and delivered an address at the opening ceremony of the special refresher training course No. 7 for doctors which was held this morning at 0900 at the Ohndaw Hall of the Central Institute of Public Services in Hlegu Township. [passage omitted]

Lt. Gen. Khin Nyunt, secretary-1 of SLORC, explained that about 500 trainees have attended each of the previous courses and since this is the seventh special refresher training course for doctors it should be noted that most doctors have already attended the training course. [passage omitted]

Continuing, he urged the trainees to take an active part in efforts being made for the emergence of a firm constitution which is the current national duty. Khin Nyunt explained that the National Convention, where basic principles for drafting the new constitution are being discussed, is progressing step by step. He then noted at present that discussions are under way to reach a unanimous decision on the chapter on fundamental principles of the state, which is very crucial for drafting the constitution. He said SLORC is giving its assistance to the national convention delegates, who represent all the national races, to hold frank, cordial, and honest discussions with cooperation and mutual understanding in accordance with the national convention principles.

The secretary-1 remarked that the success of the National Convention and the successful implementation of the National Convention objectives is the responsibility of each delegate attending. Next, Khin Nyunt explained that if the National Convention delegates work with the aim of benefiting the country and the people, the future of Myanmar [Burma] will be peaceful, tranquil, and developed from all sides and the union state stable in the long term. He remarked that if the delegates put their own interests in the forefront, giving preference to oneself, one's organization, and one's party more than the country and the people, it will be tantamount to working for the destruction of the National Convention and the state. Continuing, Khin Nyunt explained that if the delegates use their rights wrongfully by using the National Convention as a political platform, the aims and objectives of the National Convention will be diverted. He urged the entire populace including the National Convention delegates to work as a national duty for the successful implementation of the National Convention without deviating from its aims and objectives. [passage omitted]

The opening ceremony ended at 0930. The training is being attended by 503 doctors from various states and divisions and the duration of the training course is four weeks. [passage omitted]

Minister Returns From Malaysian Conference 27 Jun

BK2706143393 Rangoon Radio Burma in Burmese 1330 GMT 27 Jun 93

[Text] Colonel Pe Thein, minister of education, and a Myanmar [Burmese] delegation returned to Yangon [Rangoon] by air today evening at 1925 after attending the Sixth Asia-Pacific Region Education Ministers' Conference jointly sponsored by UNESCO and the Economic and Social Commission for Asia and the Pacific, held in Kuala Lumpur, Malaysia, on 21-24 June 1993.

The minister was welcomed at Yangon airport by Vice Admiral Than Nyunt, minister of health; Brigadier General Win Tin, minister of finance and revenue; U Than Aung, minister of cooperatives; Colonel Kyi Maung, deputy minister of education; Mr. John Tenewi Nuek, ambassador of Malaysia; directors general and chairmen of departments and boards concerned; responsible personnel and relatives.

U San Goke, director general of Planning Department, Ministry of National Planning and Economic Development; U Han Tin, rector of Institute of Education; and the minister's personal officer Major Khin Soe also returned together with the minister.

Brunei, Malaysia & Singapore

Malaysia

UMNO Youth Criticizes U.S.' Baghdad Strike

BK2906050693 Kuala Lumpur BERNAMA in English 0357 GMT 29 Jun 93

[Text] Kuala Lumpur, June 29 (OANA-BERNAMA)—The United States' missile attack on Baghdad Sunday [27 June] has drawn criticism from political and other groups in Malaysia. The youth wing of the United Malays National Organisation (UMNO), which is the major component party of the ruling National Front coalition, said the US action was not taken under the auspices of the United Nations.

The Gulf War has ended, Iraq has been defeated, but the United States continues to exert pressure, the secretary of the movement's internationel affairs bureau, Mustapha Yaakub, said in a statement Monday.

He also criticised the UN which he claimed to be a tool of the United States and could no longer afford to act rationally as all its actions now had to have the blessings of the US.

Mustapha said UMNO Youth regretted that the world seemed to be awed with the slogan of the United States which projected itself as the world policeman and up to now continued to act as the world investigator, world judge and world penaliser. The United States would continue to exert itself for as long as the world did not do something, Mustapha said. In this respect, UMNO Youth called on the world to strive to curb the US aggression.

He said the US was prepared to set aside the question of humanity in Bosnia by giving all sorts of excuses to the world community and this resulted in a large number of Muslims being killed. In Somalia, he said, the United States, under the guise of protecting the Somalis, went under the cover of the UN and attacked the Muslim country.

UMNO Youth called on Russia and China to reconsider their military position to balance the power of the United States.

Purchase of Russian, U.S. Aircraft Announced

BK2906081993 Kuala Lumpur BERNAMA in English 0744 GMT 29 Jun 93

[Text] Kuala Lumpur, June 29 (OANA—BERNAMA)—Malaysia will buy 18 MiG-29 Fulcrum aircraft from Russia and eight F/A-18D Hornet aircraft from the United States, Defence Minister Najib Razak announced Tuesday.

The MiG-29 would be used for air defence and the McDonnell Douglas Hornet for strike and interdiction, in line with the development of the RMAF [Royal Malaysian Air Force], Najib told a packed news conference at the Ministry of Defence here.

The announcement ended months of speculation on the type of aircraft to be bought for the new generation squadron of the RMAF since the subject came up in the middle last year.

With the multi-billion deal, Malaysia will be the first ASEAN member country to have purchased both aircraft. The MiG-29 will also be the first Russian weapons system to have been acquired by the RMAF.

The acquisition of the aircraft will be subject to several factors which not only addresses the technical fectors but also macro-economic benefits to the country, he said, adding that negotiations on the price of the package deal and other details, however, had yet to take off.

Detailed negotiations with the Russian and U.S. aircraft manufacturers would begin soon, Najib said.

He said the RMAF would take delivery of the MiG-29 within 12 months from the signing of the contract while the F/A-18D would be delivered within three years from the date of the deal.

Daily Views Purchase

BK2906103893 Kuala Lumpur NEW STRAITS TIMES in English 26 Jun 93 p 9

[By Sabry Sharif]

[Text] Kuala Lumpur, Friday—Malaysia is likely to equip its Air Force with a squadron of MiG-29 air superiority fighters, and operate for the first time six MI-35 attack helicopters under a 2-billion-ringgit package with Russia.

The choice of the aircraft manufactured by Mikoyan Design Bureau comes together with an advanced air-to-air missile with active radar guidance, and a stateof-the-art cockpit technology. The RMAF [Royal Malaysian Air Force] may also be offered with the latest air-to-surface, air-to-ship, and anti-radar missiles, and a state-of-the-art cockpit technology.

Should this deal come through, Malaysia will be the first operator of the MiG29, codenamed Fulcrum by NATO [North Atlantic Treaty Organization], in the Asia-Pacific region.

The deal, like the government's purchase of the British Aerospace Hawk 100 and 200 ground support aircraft would also include an offset programme, transfer of technology, and manufacture of certain aircraft components, and barter trade.

It is learnt Russia was willing to supply up to 30 MiG-29 fighter jets, but due to budgetary constraints, the government was likely to be able to afford between 18 and 20 aircraft.

The bureau is expected to offer its latest design, the S model, which would overcome the weaknesses alleged by its main rival, the McDonnell Douglas FIA-18D Hornets of the United States.

In its original package, the Russians were offering the basic MiG-29 model which was pointed by its critics as suffering setbacks in the engine, range, and maintenance sections.

Comprehensive checks were conducted by the RMAF evaluation team on these claims, thus delaying the Government's decision on the choice of aircraft.

Defence Minister Datuk Seri Najib Tun Razak, when contacted in Singapore about a fortnight ago had confirmed the RMAF was making further evaluation on one of the two aircraft.

However, he declined to say if the aircraft was the MiG-29 which was proposed by the bureau as a replacement for the RMAF's ageing Northrop F-5E fighter jets in October 1990.

McDonnell Douglas, and General Dynamics, which manufacture the lightweiEht F-16 fighter jets, only submitted their bids early February this year after hearing of the attractive Russian package.

Sources said the MiG-29S is expected to carry additional fuel in its dorsal bulge (compartment located immediatery behind the pilot's cockpit) to extend its combat range significantly to 2,900 km, or 3,600 km if two 256 UK gal drop tanks are used.

In addition, this model is also said to have made vast improvements in its engine performance with the installation of the RD33K upgraded engine, bomb load, and missile capability

The sources said the RMAF may want to ensure commonality of its existing squadrons, and that of the MiG-29 squadron by including certain Western avionics like the Tactical Air Navigation (TACAN), Identification, Friendly or Foe, and Global Positioning System cockpit instruments, and radio.

It is learnt that Najib, RMAF Chief Lieutenant General Datuk Abdul Ghani Aziz, and Ministry Secretary General Datuk Kamaruzzaman Shariff previewed the MiG-29S at the recent Paris air show.

Recent reports at the air show had given the MiG-29s rave reviews especially its improved flight controls, high stall and spin resistance, and ability to carry out extremely difficult air manoeuvres.

This model also has incorporated a comprehensive internal active jamming Electronic Counter Measure system.

Najib had said yesterday the government had made a decision on the choice of the aircraft, but would only announce it next week.

It is learnt that Najib would announce details of the contract at a news conference probably Tuesday.

Top American officials have made last minute bids to persuade the government to buy the F/A-18D whose price is believed to be twice as expensive as that of the Russians to prevent the entry of Russian arms, especially aircraft into the ASEAN region.

The latest was its Deputy Secretary of State Dr. Clifton R. Wharton who met Prime Minister Datuk Sri Dr. Mahathir Mohamed, and Najib here yesterday. Najib had told Wharton that the F/A-18D was under consideration.

It is also learnt that the U.S. Secretary of Commerce Ron Brown had also tried to see Najib in Paris on 12 June.

UNTAC Peacekeeping Troops Return From Cambodia

BK2906044493 Kuala Lumpur BERNAMA in English 0401 GMT 29 Jun 93

[Text] Johor Baharu, June 29 (OANA-BERNAMA)—Forty Malaysian soldiers returned here Monday after having served with the United Nations Transitional Authority in Cambodia (UNTAC) since March last year. The transport aircraft carrying the group, led by Commanding Officer Lieutenant Colonel Goh Ah Bah of the 1st Battalion Royal Rangers, arrived at the Senai Airport, 30 km from here.

They were welcomed by the commander of the 7th Brigade, Brigadier General Abdullah Abdul Ghani, who congratulated them for their excellent service with UNTAC. The deputy commander of the 7th Brigade, Colonel Mohamed Yusof Ali, and several other senior officers and their families braved heavy rain to greet the returning soldiers.

Singapore

Scientific Cooperation Committee Formed With PRC

BK2706114093 Singapore Singapore Broadcasting Corporation in English 1100 GMT 27 Jun 93

[Text] A joint committee has been formed between Singapore and China to enhance cooperation in science and technology. The Singapore National Science and Technology Board and China's State Science and Technology Commission will meet tomorrow for the first time. They will be embarking on a two-day discussion on research and development. The committee will [word indistinct] a one-year work plan to identify economic and technological benefits. It also hopes to commercialize research findings. The committee was set up after an agreement last year between Deputy Prime Minister Brigadier General Lee Hsien Loong and the Chinese [words indistinct].

Czech Foreign Minister Arrives on Visit

BK2806145293 Singapore Singapore Broadcasting Corporation in English 1400 GMT 28 Jun 93

[Text] The minister for foreign affairs of the Czech Republic is here on a two-day visit. Mr. Josef Zieleniec is accompanied by senior government officials and Czech businessmen. He will call on Prime Minister Goh Chok Tong and Foreign Minister Wong Kan Seng. Mr. Zieleniec will address a seminar organized by the Trade Development Board.

Cambodia

Son Sann: Khmer Rouge Needed in New Government

OW2706122593 Tokyo KYODO in English 1210 GMT 27 Jun 93

[Text] Phnom Penh, June 27 KYODO—Son Sann, leader of the Buddhist Liberal Democratic Party (BLDP), said Sunday [27 June] the Khmer Rouge guerrilla group must be included in a new coalition government. Son Sann told KYODO NEWS SERVICE in an interview that participation by the rebel group will be necessary to achieve national reconciliation and a peaceful Cambodia.

"As long as even one party like the Khmer Rouge remains (excluded), we cannot say that true national reconciliation is achieved," Son Sann said. "I wish to tell them to come back (to join in the government)."

Son Sann is to be speaker of the 120-member Constituent Assembly, of which he was elected temporary president at its inaugural session on June 16.

"Many of my relatives were also killed under the Khmer Rouge regime (from 1975 to 1979), but I don't want to confuse my personal feelings and the issue of our country," he said.

Son Sann said that as long as Prince Norodom Sihanouk remains head of state, the Khmer Rouge will accept an offer to join the coalition government.

The Khmer Rouge boycotted the U.N.-organized general election that was held from May 23 to 28. But its leader, Khieu Samphan, said in a recent letter to Sihanouk that the faction would not oppose the interim government.

On Thursday [24 June], the leaders of Cambodia's two major parties—Prince Norodom Ranariddh of the royalist FUNCINPEC and Prime Minister Hun Sen of the Phnom Penh government—reached agreement on sharing power in an interim coalition that is expected to be officially approved and sworn in by July 1.

FUNCINPEC—the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia—won 58 of the 120 seats in the Constituent Assembly in the May election, followed by the CPP with 51, the BLDP with 10, and the Molinaka Party with 1. Despite the FUNCINPEC lead, the two rival parties agreed to share power on an equal footing, after Sihanouk told Ranariddh in a June 3 letter that such an accord is necessary to "avoid a bloody conflict."

Two other parties, the BLDP and the ultranationalist Molinaka will also join the coalition.

The interim government will run the war-torn country for up to three months. By then the Constituent Assembly is expected to have written a constitution and formed a permanent administration.

Son Sann threw his support behind a draft constitution prepared by Sihanouk, which calls for a Western-style parliamentary democracy and the separation of the administrative, legislative and judicial branches of government. He also said he favors Sihanouk's proposal to establish a second chamber, which would pave the way for the Khmer Rouge's participation in politics.

On Cambodia's economic problems, Son Sann spoke of the need for swift economic restructuring measures on numerous fronts.

Salaries for public office workers, including police officers and military personnel, "should be disbursed as the top priority for a stable interim government," he said.

Ranariddh: KR Not Seeking Role in Government

BK2906053293 Hong Kong AFP in English 0511 GMT 29 Jun 93

[Text] Phnom Penh, June 29 (AFP)—Khmer Rouge representatives who will visit the Cambodian capital this week are not seeking to join the new government, now or in the future, Prince Norodom Ranariddh said Tuesday. But he reiterated that the radical guerrillas should have a place in the national community, without specifying what kind of role they could take.

"In my opinion the Khmer Rouge should not be put outside the Cambodian community," the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] leader and co-president of the interim government said on his return from a weekend in Bangkok.

He said he had not met the faction's nominal leader Khieu Samphan over the weekend. FUNCINPEC officials in Bangkok said a meeting between the two took place two weeks ago.

"The Khmer Rouge have let us know they are not interested in joining any kind of government, provisional or not," he said.

But if the faction repsonsible for the deaths of one million Cambodians during their 1975-1979 rule wants to join the new unified army, they should be allowed to do so, he said.

"I have made things very clear that on June 10 the three chiefs of staff of the three armies ... (recognised) that the door should remain open to the Khmer Rouge if they want to join the armies," Prince Ranariddh said.

The chiefs of staff of the Phnom Penh military, the FUNCINPEC army and the Khmer People's National Liberation Armed Forces agreed June 10 to merge into a newly united Cambodian Armed Forces. The political leaders of the groups also agreed that the Khmer Rouge should be a part of the national reconciliation process, the prince said.

"National reconciliation is clearly in the Paris agreement. It is nothing new," he said, "but which form of national reconciliation, we have to look at that."

The 1991 Paris agreement formally put an end to 13 years of civil war between the Phnom Penh government and the three-pronged resistance faction.

Prince Ranariddh was scheduled to meet with fellow co-president Hun Sen and the newly nominated ministers of the country's interim government to discuss a political platform. An earlier private meeting with Hun Sen was cancelled, party officials said.

VGNUFC Supports Reconciliation Plan

BK2806062193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Jun 93

[Editorial: "The Force in Support of and the Force in Opposition to the Prince Father's National Reconciliation Plan Are Engaged in an Intense Struggle With Each Other"]

[Text] Which force is prevailing over the other? Is the force of national reconciliation gaining the upper hand over the force of opposition or vice versa? The nation and people, together with other people in the world are making efforts so that the prince father's national reconciliation plan can succeed soon. People have observed that in the process toward peace and national reconciliation initiated by the prince father, the father of national reconciliation, in response to the will of the people both at home and abroad as well as to the wishes of peace- and justice-loving countries and peoples in the region and the world, there is an intense struggle between two forces: the force that supports national reconciliation and the force that opposes it.

Let us take a look at the struggle between the two forces:

I. There is the force that fully backs the national reconciliation plan of the prince father, our august father of national reconciliation. The goal of the plan is for Cambodia to have peace, independence, and unity—that is, for the Cambodian nation and people to become whole again. Those included in that force consist of:

A. His Royal Highness [HRH] Prince Norodom Ranariddh, chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, who supports the prince father's national reconciliation plan and advocates the policy of national reconciliation in his party's political platform.
B. His Excellency Son Sann, chairman of the Buddhist Liberal Democratic Party [BLDP], who has repeatedly voiced his support for the prince father's national reconciliation plan.
C. The Party of Democratic Kampuchea which firmly adheres to the policy of the great national union of Cambodia and has been consistently fighting for national reconciliation in accordance with the prince father's plan.
D. Ninety-nine percent of overseas Cambodians who have been supporting the prince father's national reconciliation plan.
E. The overwhelming majority of funcitionaries, soldiers, and policemen forced into service by the Vietnamese aggressors and their Phnom Penh puppets who also demand national reconciliation and are daily opposed to and defecting from the Vietnamese and their puppets to the side of the national resistance forces. These are national forces both inside and outside the country who are rallying around the prince father's national reconciliation plan. In addition, the international community—including Thailand, China, and many other Third World countries as well as most UNTAC [UN Transitional Authority in Cambodia] personnel—wants to see Cambodian national reconciliation achieved according to the prince father's plan so that the Cambodian nation and people will again have peace, independence, and national unity and peace and stability in the region will be guaranteed.

II. The force that opposes the prince father's national reconciliation plan consists of the aggressors, the traitors, the secessionists, and those working to prevent Cambodia from achieving peace, independence, neutrality, and national reconciliation in accordance with the prince father's plan. As a matter of fact, this force consists of the Vietnamese aggressors, the Vietnamese puppet lackeys, and the bad allies inside and outside UNTAC. This second type of force has specific strategies and political aims. It has openly and repeatedly announced since July 1991 that it is opposed to a quadripartite national reconciliation. According to its strategies, this force applies pressure on the other national forces and tries to incorporate them into the fascist structure of the Vietnamese aggressors and their puppet lackeys called the bipartite coalition. Since then, the Vietnamese aggressors, the Vietnamese puppets, and one of their allies in UNTAC have shamelessly and openly tried to carry on their strategies of doggedly splitting up the Cambodian nation by merely changing the form and method of operation according to prevailing circumstances and developments.

However, in a persistent and tenacious struggle the whole of the national forces both inside and outside the country and the peace- and justice-loving international community, including the prince father and the Cambodian resistance forces, have jointly attacked and handed defeat upon defeat to the strategies of the satans and demons who have been trying to swallow up and tear down our nation, forcing them to sign the 23 October 1991 Paris Accord and acknowledging the setting up of a quadripartite Supreme National Council [SNC] chaired by the prince father head of state.

Nevertheless, although everybody, including the satans and demons, signed the Paris Accord, these satans and demons only verbally supported the accord while with their fangs and claws they continued to bite off and tear up the Cambodian nation. They neither respected nor implemented the main provisions of the Paris Accord.

A. They did not allow the quadripartite SNC to have any role. Nor did they allow the prince father head of state and SNC chairman to have any powers or make any decisions. Everything rested in the Vietnamese structure, Vietnamese puppets, and their allies inside and outside UNTAC who connived with one another in handling all affairs and pressuring everybody else.

B. They retained in power the Vietnamese forces and their puppet lackeys, permitting them to continue making rain and thunder against the Cambodian nation and people, keeping alive their Vietnamese communist structure as well as their military, police, and administrative networks from top to bottom, flooding Cambodia with 3 million Vietnamese immigrants, and so on.

C. It remains vivid in most people's memory how before the UNTAC-organized election, the Vietnamese and puppet forces allowed assassins to appear in force to harass FUNCINPEC party members, to sink the BLDP, and to persecute, murder, and harass people who did not oppose these parties.

D. During the UNTAC-organized election, most of the people who braved hardship to get to the polling stations in order to vote for the FUNCINPEC party have fought the Vietnamese puppets for the past 14 years. However, bad elements within UNTAC played tricks by giving additional ballots to the Vietnamese puppets. In so doing, they attempted to prevent the FUNCINPEC party from winning an outright majority and forming a government in accordance with this party's policy of national reconciliation. The allies clandestinely reduced the number of ballots won by the FUNCINPEC party so that it barely exceeded that of the party of the Vietnamese puppets. In so doing, the allies tried to maintain a bipartite setup, that is, to let the FUNCINPEC party legally win on paper while the Vietnamese and their puppets continue to maintain their Vietnamese communist structure, maintain their control on the armed forces and the suppression and murder squads, and retain the Vietnamese aggressor forces, both the old-timers and the newly arrived.

E. After the election, although the FUNCINPEC party did not win an outright majority, it was still the victor. It had the right to form the government and the national assembly. However, they did not allow it to do so. The allies inside and outside UNTAC, the Vietnamese, and their puppets put all kinds of pressure on the Prince Father, on HRH Prince Norodom Ranariddh, and the FUNCINPEC party.

1. They made a show of puppet force by ordering puppet army and police officers to pressure HRH Prince Norodom Sihanouk into doing whatever they wanted him to do.

2. They pretended to sever seven eastern provinces from Cambodia.

3. They swept away FUNCINPEC party members and those who had voted for FUNCINPEC in the provinces, districts, communes, villages, and cities.

4. They staged in-camera coup d'etat-like pressure to force the Prince Father. They also repeatedly pressured HRH Prince Ranariddh into joining their puppet alliance.

5. Immediately after the UNTAC-organized election, when the situation was chaotic, the Vietnamese and their puppets announced that they did not recognize the election results. While the puppets were launching a suppressive show of force to persecute and massacre FUNCINPEC members and the people and when they were separating seven provinces from Cambodia, Akashi of the alliances inside and outside UNTAC announced that he was asking for $20-$60 million in backpay for the puppet soldiers and policemen. This was done in a most shameless and suspicious manner.

So, these are the colors of the force opposing the prince father's national reconciliation plan. No matter how divided, rotten, and stinking they are, they continue to obscenely implement their strategies and political aims.

III. The national reconciliation force and the anti-national reconciliation force are contesting with each other quite intensely. Which side is getting the upper hand now?

In this fierce, arduous, and profound struggle, say, since the implementation of the Paris accord at the end of 1991, it is obvious that the trend that supports the prince father's national reconciliation plan for the sake of a peaceful, independent, and unified Cambodia, this current of the entire Cambodian nation and people is gaining great, steady momentum on a daily and monthly basis. At the same time, the overwhelming number of countries loving peace and justice in the world, including most of the members in UNTAC, have expressed the wish that Cambodia should again have peace, independence, unity, and national reconciliation, no foreign country should interfere in Cambodia's internal affairs, and the Cambodian people should be allowed to really determine their own destiny.

Up to the present, we can see that the force of Cambodia's national reconciliation is developing steadily and is slowly gaining the upper hand over the force opposed to national reconciliation. As a matter of fact, there recently was an official announcement conferring the title of head of state with full powers on the prince father and the formation of a new provisional government to be ratified by the national assembly. However, the anti-national reconciliation force still continues most perfidiously and frantically to wage its struggle in various forms and activities in accordance with their specific strategies and political aims.

Therefore, the struggle between the force of national reconciliation in accordance with the prince father's plan and the anti-national reconciliation force is continuing. The force of national reconciliation in accordance with the prince father's plan therefore needs to further expand and tighten the ranks of the forces of the entire nation and people on a daily basis. It especially needs to pay closer attention to the soldiers, policemen, and functionaries in the Vietnamese puppet administration, most of whom have been forced by the Vietnamese and puppets to serve their war of aggression. These people have suffered from all kinds of misery at the hands of the Vietnamese and their puppets. They only wish for the end of the war of the Vietnamese aggressors. What they need most is peace and happiness and to be reunited with their families. They want national reconciliation. The nation, the people, and the national resistance forces are keeping the door wide open for them as blood brothers with the same goal: to mobilize the national forces for national reconciliation in accordance with the prince father's plan. Concerning this noble national duty, the entire nation and people need to continue making efforts actively and consistently according to each person's activities and role.

Indonesia Donates Medical Aid

BK2806003693 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 28 Jun 93

[Text] His Royal Highness Prince Norodom Sihanouk, the august father of the nation, august head of state, and chairman of the Supreme National Council of Cambodia, presided over a ceremony held at the Phoucheani Hall in the Royal Palace at 0930 in the morning of 28 June to hand over a gift from President Suharto of Indonesia to the Kosomak Hospital and the Cambodian people.

The gift, presented to the prince by His Excellency Sudardo Taufiq, Indonesian ambassador to Cambodia, to be distributed to the representatives of the Kosomak Hospital, included a sum of U.S. $10,000. The ambassador also handed over 350 kg of medicines, 100 metric tons of rice, and 2.7 metric tons of instant noodles.

In accepting the gift, the august head of state warmly valued Indonesia as a friendly country that has always supported and assisted the Cambodian people in hard times. President Suharto has given generous aid to help alleviate their needs, he said.

The prince also praised and thanked the doctors and medical workers present for the care given to the patients and, through them, he wished a prompt recovery to all his children currently undergoing treatment at the hospital.

Interim Government Decides on New Flag, Anthem

BK2906055693 Hong Kong AFP in English 0518 GMT 29 Jun 93

[Text] Phnom Penh, June 29 (AFP)—Cambodia's newly formed interim government has decided to call the country just plain "Cambodia," and to re-adopt the flag and national anthem used before 1970, Prince Norodom Sihanouk said Tuesday.

The flag, which has a three-towered white representation of Angkor Wat on a red background with a blue border, is currently the flag of the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party.

The flag and national anthem were changed when Prince Sihanouk was deposed in a coup by General Lon Nol in 1970. The first act of the newly elected constituent assembly on June 14 was to annul the coup and declare Prince Sihanouk head of state.

The incumbent Phnom Penh government, called formally the State of Cambodia, has used a five-towered yellow Angkor Wat on a horizontally divided blue and red background for the last 14 years.

Prince Sihanouk's decree included a letter from Son Sann, the doyen of the constituent assembly who was expected to be elected its chairman on Wednesday, saying all sides had agreed to the changes.

"Our people look forward to this change, which should happen as quickly as possible," the letter said.

In addition, Cambodia will readopt its old national anthem used in the Sihanouk era, "Nokoreach (Kingdom)," dropping the first verse which refers to the monarchy, the decree said.

Price Rises, Weak Currency Characterize Economy

BK2406110293 Hong Kong AFP in English 0820 GMT 24 Jun 93

[Text] PHNOM PENH, June 24 (AFP)—Unrestrained price rises, a weakening currency and depressed economic activity characterized the Cambodian economy in the first five months of 1993, a U.N. economic report released Thursday said.

"The poor fiscal performance and continued political uncertainty were accompanied by a resurgence of inflation and a weakening of the riel" in the period ahead of the U.N.-organized elections in May, the report said. "This gave an impetus, in turn, to speculative hoarding, exerting a further upward pressure on prices," it said.

Prices of meat, fish and eggs rose in the range of 20 to 50 percent for the month of May, but the price of rice remained relatively stable making the overall inflation rate on food items average about 14 percent for the month, it said. The United Nations began selling imported rice in the markets at artificially low prices after a temporary economic collapse in March inflated food prices to levels out of the reach of poor Cambodians.

The riel, which at the beginning of the year was trading at 3,500 to the U.S. dollar, plummeted to 4,950 on the eve of the elections.

"When it became clear as the elections proceeded that the event would be relatively free of incident, the exchange rate began to strengthen," the U.N. report said.

However, the Cambodian riel still lost 11 percent of its value from the previous month, the report said. The prices of imported goods, whose values are linked to the U.S. dollar, continue to go up with the falling riel but remain at inflated levels after the riel stabilizes.

The report also forecast bad times ahead after the U.N. Transitional Authority in Cambodia (UNTAC) withdraws its 20,000 peacekeepers by the end of the year.

"With UNTAC pulling out in the third quarter, a continued downturn in activity is likely to be in prospect in these months," it said. "Prospects of economic recovery are clearly contingent on the resumption of revenue, aid flows and foreign private investment."

Foreign aid donors met last week in the Cambodian capital to consider a U.N. request to provide 30 million U.S. dollars to pay Cambodia's civil servants. They agreed on the urgent need for funding and took the requests to their host governments, a U.N. spokesman said.

Thursday's economic report said the strain on the Phnom Penh government in trying to pay its civil servants had amassed a 12.3 billion dollar budget deficit, but did not give a percentage figure.

Foreign Bank Leaves Phnom Penh, Blames Regime

BK2506131893 Singapore BUSINESS TIMES in English 25 Jun 93 p 12

[Text] SINGAPORE—MBf Asia Capital Bank Ltd has become the first foreign bank to shut down its banking operations in Phnom Penh, on account of high taxes and changing government policies.

It is understood that the bank opened in Phnom Penh on Dec 15 1992, and served notice of closure to the Cambodian central bank, the National Bank of Cambodia, on March 3, 1993.

The bank offered a range of services such as deposits and loans to the Cambodian public, but felt it could not run a healthy business with about US$250,000 (S$407,500 [Singapore dollars]) in security deposit, a 40 per cent corporation tax, and a 2 per cent tax on gross income.

However, a National Bank official said that MBf had completely misunderstood the tax structure in Cambodia. "The corporation tax on banks is not 40 per cent a year as MBf has claimed, but it is merely 12-25 per cent a year," he said.

On Wednesday, an MBf Asia official told BUSINESS TIMES that the firm had "no intention to reopen the bank. The Cambodians keep changing their policies and we don't know how to make our future plans."

The bank in Phnom Penh was owned by the Hongkong-based MBf Asia Capital Corporation Holdings which is, in turn, wholly-owhed by MBf Holdings Berhad. The Hongkong operation is involved in corporate finance and treasury operations, and is also tasked with looking after the Malaysian holding company's businesses worldwide. Another major Malaysian bank, Public Bank Bhd, still runs a branch in Phnom Penh.

The Cambodian National Bank official, however, said that problems started soon after MBf opened its bank in Phnom Penh.

"They refused to pay the security deposit despite several reminders sent to them," he said.

"Perhaps they had financial difficulties," the official said, "or maybe there was some other reason why they refused to pay up."

On March 3, 1993, MBf Asia Capital Corp's President and Chief Executive Officer, Leslie Merszei, wrote a letter to Cha Rieng, governor of the National Bank, stating that the bank had "decided not to continue with its banking operations in Cambodia".

He added that after careful consideration of the Cambodian government's decision to "enforce both gross income and corporation tax provisions, we do not consider it prudent to operate a bank at levels of 2 per cent tax on gross income and 40 per cent corporation tax."

Mr Merszei said that the tax level is "onerous to an operation of our size and proposed level of gross income".

There are 16 foreign banks operating in Phnom Penh, all of whom have paid their security deposits. The National Bank has issued 37 banking licences to foreign banks.

Indonesia

Reaction to U.S. Strike on Iraqi Facility

Jakarta Expresses 'Regret'

BK2806122693 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 28 Jun 93

[Text] The Indonesian Government has expressed its regret over the U.S. missile attack on Baghdad, Iraq on 27 June that caused damage and casualties in the city. The Department of Foreign Affairs said in a press release this evening that Indonesia was urging the parties concerned to refrain from taking further action that could aggravate the situation. The Indonesian Government is also calling for problems between the United States and Iraq to be referred to the United Nations (?as) an authoritative organ.

MP's Call Attack 'Unjustifiable'

BK2806145093 Jakarta ANTARA in English 1357 GMT 28 Jun 93

[Text] Jakarta, June 28 (ANTARA) - The Indonesian members of parliament have criticised the United States attack on Sunday [27 June] of Iraq, urging the country to condemn the air strike which they described as unjustifiable and against the international law.

"Indonesia must lodge a protest at the United Nations because if such an action is left unheeded, it will continue to ignite the machine of wars," said Mrs. Aisyah Aminy of the house's Foreign Affairs Commission said here on Monday.

Other members of the commission such as B.N. Marbun of the PDI [Indonesian Democratic Party] Faction and Theo L. Sambuaga of the ruling Golkar [Functional Group] Faction made similar remarks.

The U.S. action should make the developing countries aware of the importance of the UN restructurisation [as received] to prevent a dominant power which cannot be vetoed by other countries, Aminy who is also of the United Development Party (FPP) said. Amidst the efforts to create peace and implement the human rights principles, the U.S. action against Iraq is something quite surprising, she added. The efforts of the Non-aligned Movement (NAM) to democratise the UN must get serious support because as a super power the U.S. may not take action at will, she added.

The restructurisation of the UN is needed to enable the world body to play a clear function in facing such problems as the U.S. double-standard action, according to the MP. She said that the double standard of the U.S. becomes clearer and clearer as seen in its attitude towards the Iraqi and Bosnian conflicts.

The efforts by Iraq to assassinate former U.S. President George Bush were not supported by clear evidence, but the U.S. takes an action which perish civilians. [sentence as received] She said the U.S. (?has) given bad examples and if countries follow it wars will break out everywhere.

Meanwhile, Marbun said that the U.S. bombing of the Iraqi intelligence installations violated the international law and it constitutes an at willaction. [sentence as received]

Should Iraq were proved of plotting to murder Bush, the case must be brought to the international tribunal. [sentence as received] "But taking the laws into one's hand without court proceeding is an action which outrages others sovereignty," he added.

Sambuaga said that the U.S. has taken wrong action, asking the country to firmly condemn the air strike. The U.S. action which takes the law into its hand cannot be justified as it could lead to the creation of global anarchy, he added.

Suharto Expresses 'Concern'

BK2906095893 Jakarta ANTARA in English 0940 GMT 29 Jun 93

[Text] Jakarta, June 29 (OANA-ANTARA)—President Suharto has expressed his concern over the recent U.S. attack on Iraq and hoped that the dispute between the two countries could be settled through negotiations.

State Minister/Secretary of State Murdiono told the press Monday that the attack was beyond the president's expectation [as received] and that for the sake of world peace, Suharto had hoped that disputes among nations be tackled in a proper way.

The head of state, said Murdiono, was very eager to see that all sides refrain themselves from resorting to actions which could worsen the international situation. President Suharto, quoted Murdiono, has suggested that both sides negotiate through a global neutral party such as the United Nations.

The United States on June 27 attacked Iraqi intelligence headquarters in Baghdad in retaliation of the assassination attempt on the former U.S. president George Bush.

Minister Hopes Japan Does Not Reduce Aid

BK2806133893 Jakarta THE INDONESIA TIMES in English 24 Jun 93 p 1

[By our reporter]

[Text] Indonesian Government expects that political crisis in Japan at this moment would not affect the country's aid through Consultative Group on Indonesia (CGI).

State Minister of National Development Planning Ginanjar Kartasasmita, replying to newsmen's questions after meeting President Suharto on Wednesday, said that previous political crisis in the country did not reduce her aid commitment to Indonesia.

"We always expect that they would continue what they have given to us," Ginanjar said. Ginandjar is also chairman of the National Development Planning Board (Bappenas).

Japan's assistance through CGI last year amounted to U.S. $1.4 billion or one-third of the total aid of $4.9 billion.

The World Bank, the largest donor of Indonesia, provided $1.6 billion, Asian Development Bank $1.2 billion, and the remaining aid were given by other donors.

Replying to a question on Belgium's plan to tie its aid in CGI with Indonesian practices of human rights, Ginanjar admitted that they have not reached agreement. Coordinating Minister of Economy and Finance Saleh Afiff gave the same statement recently.

"We regard human rights issue has nothing to do with loans although it must be respected globally," Ginanjar said.

Therefore, both Indonesia and Belgium agreed to delay discussion on the loan until CGI ends its meeting early July as well as the results of the international conference of human rights.

Ginanjar added that there is an annual discussion with donor countries on the amount of loan which has been agreed in the previous meeting. "And the discussion has no relation with the amount of loan which has been given to finance the undergoing projects," Ginanjar said.

Ginanjar reported to the president on preparations for CGI meeting, including reports on the implementation of the CGI-assisted projects. Indonesian delegation to the meeting will be led by Saleh Afiff.

President Suharto reminded Ginanjar that the public including, parliament, universities, businessmen, and experts must be involved in the planning of development projects.

Ginanjar said that preparation of the sixth five-year development plan (Repelita VI) would include the second long-term development plan. "The matter that must receive serious attention is integration of sectoral and regional development, Ginanjar added.

Suharto Provides Humanitarian Aid to Cambodia

BK2806124293 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 28 Jun 93

[Text] President Suharto has decided to provide humanitarian aid to the Cambodian people, who are suffering from food shortages, in response to an appeal from Prince Sihanouk. The aid consists of 100 metric tons of rice, 7.5 metric tons of instant noodles, 200 kg of medicines, and U.S. $10,000 in cash. [passage indistinct]

The humanitarian aid is scheduled to be shipped from Tanjungpriok Port tomorrow and expected to arrive in Phnom Penh on 3 July. The aid is a manifestation of the sympathy and solidarity of the Indonesian Government and people with the Cambodian people, who are suffering from food shortages.

Daily Expresses Hopes for Human Rights Meeting

BK2906075393 Jakarta THE JAKARTA POST in English 14 Jun 93 p 4

[Editorial: "Discussing Rights"]

[Text] In the coming 10 days much of the world's attention will be riveted on Vienna, the Austrian capital, where the United Nations World Conference on Human Rights convenes today. Some 5,000 delegates and foreign ministers from over 100 countries are reported to have registered to participate in the gathering. In anticipation of this gathering, last week, scores of NGOs [nongovernmental organizations] from all over the world began a series of meetings to highlight human rights violations in their respective regions.

In terms of importance and magnitude, the conference starting today in Vienna is indeed a historic one. It is the UN's first major rights conference in the past 25 years. The fact that it has taken almost two years for the preparations to be completed only goes to show how tumultuous the world in which we are living has become. Although the Cold War is over, the world is, in fact, still split into fragments, each of a different color and with different interests. Several countries have formed blocs or defined a common stance on various issues, but the fact remains that national interests still dominate international dialogs and conferences.

The differences among the Western countries and the political impotence that afflicts them over the Bosnian question is a clear example of how each country pursues its national interests first as it defines its policy stance. When President Clinton announced last month that the United States was extending China's status of most favored nation in trade for another year, reneging on his earlier pledge to take firm measures against that country for its alleged human rights violations, he clearly showed that principles could be bent if the national interests so demanded.

In other words, the double standard still prevails. Vast gulfs still separate words from actions. And nowhere is this more obvious than in the domain of human rights. Many countries which are vehemently accusing others of human rights violations often forget how their own record leaves much to be desired.

Perhaps, however, it is precisely for that reason that the hope is voiced all around the world that the Vienna conference will succeed in formulating a human rights concept for all. Minister of Foreign Affairs Ali Alatas, for example, last week said Indonesia hoped the conference could produce a final document that was acceptable to all countries. Alatas dismissed speculation that the meeting would only succeed in pitting West against East. He reasoned that, in principle, both agreed on the universal nature of human rights. "There might be nuances but not confrontation," Alatas was reported as saying.

Nevertheless, the fact that a number of obstacles remain as possible stumbling blocks during the conference cannot be disregarded. There is, for example, the question of the right to intervene in a country's human rights problems. This stance would surely be regarded by many countries as an assault on their sovereign rights.

One of the aims of the conference is to set up a permanent UN Commission for Human Rights. What matters most, however, is whether the Vienna conference will be able to prove to the world that the formation of such a commission will mean that countries with diverse human rights perceptions will be able to abandon their differences in the interest of a better tomorrow for all mankind.

It is possible that a compromise solution will be found in Vienna. However, it is well to remember that, by definition, any compromise holds in it the seeds of friction due to dissimilar interpretations. Things being as they are, then, we believe the chances to be slim that the Vienna conference can come up with a document that is effective and binding for all.

In the end, however, one major point should not be overlooked: Whatever its outcome may be, the Vienna conference will enter the annals of history as a major milestone on mankind's road towards giving people the protection they deserve against all kinds of violations of their innate basic rights. If because of this and nothing else, surely it deserves the support of us all—for the sake of our children and all the deprived people of the world.

Gusmao Hands Clemency Plea to Suharto

BK2806152593 Jakarta THE INDONESIA TIMES in English 22 Jun 93 p 1

[Text] Jakarta—Convicted Xanana Gusmao recently sentenced for life in the East Timor capital of Dili has presented his request for clemency to President Suharto on Friday, a senior minister told the press on Saturday.

The clemency request shows that Xanana has admitted his wrongdoing and asks for pardon," said Coordinating Minister for Political and Security Affairs Susilo Sudarman after reporting to President Suharto about Xanana's clemency request in the presidential palace here.

He pointed out that Xanana's letter asking for clemency will be presented to the Supreme Court and then later to the president himself.

According to Susilo, Xanana submitted his clemency request through his lawyer.

Asked by the press whether Xanana will do his jail time in Jakarta and not in Dili or other cities in East Timor, Minister Susilo said: "It's still undecided."

"What is certain is that Xanana will be imprisoned as he had been found guilty," he said.

Attorney General Defends Antisubversion Law

BK2906054293 Jakarta THE JAKARTA POST in English 17 Jun 93 p 1

[Text] Jakarta (JP)—Attorney General Singgih opposes any plan to abolish the anti-subversion law, saying it remains a bulwark against attempts to divide the nation or undermine the government.

"Some people may say it is no longer relevant but the anti-subversion legislation is still a positive law," Singgih told reporters yesterday after closing a three-day meeting of high-ranking prosecutors at his office.

Several human rights lawyers have recently called for the abolition of the law enacted by then President Sukarno in 1963 to jail his political opponents.

The law, which carries the maximum sentence of the death penalty, has been expanded to cover corruption, drug trafficking and actions deemed as undermining the authority and security of the state.

Singgih defended the constitutionality of the. "All laws and regulations are made in conformity with the 1945 Constitution and and state ideology of Pancasila," he said.

Government prosecutors have been prudent in applying the law, he said. Proof of this, he said, is that he has never resorted to using it although the law empowers him to detain anyone for alleged subversion.

"We always refer the detention to the Criminal Code Procedures (KUHAP)," he said.

He did not rule out the possibility that the law will be repealed after the House of Representatives enacts a new criminal code, which is expected to incorporate some of the violations currently covered by the anti-subversion law.

"We'll see," he said, adding that the decision is for the President and the House to make.

Laos

Thai-Lao Border Subcommittee Meets 22 Jun

BK2706103193 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 26 Jun 93

[Text] A delegation of the Thai-Lao Border Peacekeeping Cooperation Subcommittee led by Lieutenant General Mongkhon Amphonphichit, director of the Military Operation Department, arrived in Vientiane on a Thai Air Force plane on the morning of 22 June. Upon its arrival, the Thai delegation held a joint meeting with a delegation of the Lao-Thai Border Peacekeeping Cooperation Subcommittee. This was the second meeting held between delegations of the subcommittees of the two sides for 1993. The Lao side was headed by Colonel Phommachak Soutthisan, chief of the Foreign Relations Department attached to the National Defense Ministry and concurrently head of the Lao-Thai Border Peacekeeping Cooperation Subcommittee. The two sides discussed the contents of the agreement reached between the cochairmen of the two sides. The agreement comprises three articles. Article one deals with the establishment of subcommittees and article two deals with the rights and duties of the subcommittees. The rights and duties of the subcommittees, as stipulated in article two, are as follows:

1. To hold meetings to discuss and acknowledge the situation concerning peace and order along the border, to adopt jointly measures to solve remaining problems or other problems that might arise, and to coordinate in performing peacekeeping work.
2. In the case of an occurrence of a major problem in a border area, the subcommittees of the two sides must promptly join in settling it [words indistinct]. The two sides may also jointly investigate the case in order to prevent an expansion of the problem.

3. To appoint representatives of their working units concerned to hold consultative meetings to find ways to settle problems on the maintenance of peace and order along the border areas.

4. To give an advice to the Lao-Thai and Thai-Lao border peacekeeping cooperation committees at the provincial level on the implementation of the work as jointly mapped out by the subcommittees of the two sides in each stage.

The third and last article deals with regulations to call meetings. It stipulates that the meetings are to be held every three months, alternately in Laos and Thailand. In case of necessity, representatives of working units concerned of each side may be invited to participate in the meetings with the approval of the chairmen of the subcommittees of both sides. Minutes of each meeting must be prepared and they must be signed by the chairmen of the subcommittees of the two sides.

The delegations of both sides unanimously reached an agreement on all issues discussed in the meeting. Minutes of the meeting soon will be signed between the national defense minister of our country and the supreme armed forces commander of the Kingdom of Thailand.

Before returning home on the same day, the delegation of the Thai-Lao Border Peacekeeping Cooperation Subcommittee paid a courtesy call on Lieutenant General Choummali Sai-gnason, national defense minister of our country. On this occasion, Lt. Gen. Choummali Saignason talked with the Thai guests in a friendly atmosphere. He recalled the history of fraternal relations and affection between the peoples of Laos and Thailand. He reiterated that it is appropriate for both sides to seek means together to improve relations at the provincial level on the basis of fraternal equality and sincerity for mutual benefits.

Checkpoint Opened on Border With Thailand

BK2806055093 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Jun 93

[Text] A Lao-Thai permanent border checkpoint between Laos' Sanakham District, Vientiane Province, and Thailand's Chiang Khan District, Loei Province, has been officially opened.

The opening of the Sanakham-Chiang Khan border checkpoint provides a number of conveniences for enhancing relations and economic and cultural cooperation between Vientiane Province and Loei Province. It also facilitates the exchange of visits by the Lao and Thai peoples living along the banks of the Mekong River. Moreover, it will also help promote better understanding among the two peoples and futher improve and expand the friendly bilateral relations.

Philippines

U.S. Attack on Iraq Termed 'Isolationist'

HK2906022493 Manila THE MANILA CHRONICLE in English 29 Jun 93 p 4

[Editorial: "The U.S. Drifts Inward"]

[Text] The latest United States confrontation with Iraq marks a shift in American tendencies. While the latest bombing of Baghdad only aggravates already venomous ties between Washington and Baghdad, it should be viewed in the context of the new Democratic White House's increasingly inward-looking policies.

Consider the reason for the attack. President Bill Clinton said it was prompted by "compelling evidence" that Baghdad had planned a "loathsome and cowardly" assassination plot against his predecessor, Mr. George Bush, when he visited Kuwait in April. Moreover, the United States had not bothered to rally its allies to support its cause or fit the attack in the context of existing UN Security Council resolutions against Iraq.

The American ambassador in the UN, Madeleine Albright, only briefed the UN Security Council on the assault several hours after it was launched. She, however, said the U.S. was not seeking the council's approbation, invoking Article 51 of the UN Charter, which authorizes a nation to defend itself in the face of military attack. "We will act multilaterally when we can, and unilaterally when we must," she told reporters.

That the US skipped such multilateral consultations as characterized by its past actions against Iraq—the Desert Storm offensive in 1990 and the limited air strikes to enforce no-fly zones over parts of Iraqi territory last January—illustrates its drift toward disengagement from the world. The retaliation against Saddam Husayn was an act to defend and promote American self- interest, nothing more.

The United States has historically steered its foreign policy with a mixture of self-interest and moral obligation. Americans can be compelled to intervene because of what is "right". This was especially shown when, from its isolationist years after the first world war, it rose to the occasion in the second world war. It carried this conviction throughout the cold war.

It is ironic then that the most recent exhibit of American sense of moral righteousness and sheer protective self-interest—the Gulf engagement—has become the same occasion for renewed self-absorption and isolation. Now America is fighting for its own interest. Most nations, knowing the horrors of Saddam Husayn, will perhaps cheer America on the belief that what is good for her is good for them, too. But, as can be gleaned from Ambassador Albright's statements, the world's consent hardly matters for America.

The Philippines must consider America's growing self-absorption and her increasing tendency to defend her interest without any sense of altruism. This explains, for instance, the Clinton administration's lip-service concern for the Asia-Pacific region. The White House is sending Clifton Wharten, its deputy secretary of state to Southeast Asia, and President Clinton himself is going to Japan for the Group of Seven summit and to South Korea. But even these visits appear meant precisely to make clear the ever greater American preoccupation with its interests. In his Malaysian stop last June 25, Wharton told the Malaysian-American Chamber of Commerce that the Clinton administration "supporting American commercial interests is vital to US national security". He said Japan must reduce its "sustained and enormous global current account imbalances" and make its markets more accessible to foreign services and goods. Nowhere was there any mention of democratization and human rights.

The Philippines should take the hint. It must reinvent its relations with the U.S. in a language or an approach to suit to America's immediate interests—business, investments, free trade especially.

Ramos Seeks Assurance on U.S.' Asia Policy

HK2806090093 Manila THE MANILA CHRONICLE in English 28 Jun 93 p 6

[Report by Manny Mogato]

[Text] President Ramos has urged U.S. President Bill Clinton to make it clear that Washington has a continuing interest in East Asia and Pacific region when he attends the Group of Seven meeting in Tokyo next month. In a letter to the American president early this month, Mr Ramos said the "Filipino people and other domestic and democratizing countries would receive with great enthusiasm your assurances not only of the United States' continuing commitment to the peace and stability of the region but also of its support for the conviction, as exemplified by the Philippines, that the protection of human rights, the promotion of democracy, the pursuit of economic growth and the institution of social justice must be undertaken together at the same time."

In short, the President wanted Clinton to make a categorical assurance of Washington's continued commitment in the region. During the last six months, Washington's policy towards East Asia and the Pacific has been couched in vague terms, notwithstanding assurances from State Department and Pentagon officials. For instance, U.S. officials vowed to stay in the region but domestic pressures had forced the Clinton administration to cut American forces in Japan and South Korea.

Recent statements from State Department officials supporting multinational security discussions and cooperation in the region were interpreted by some regional analysts as an attempt by U.S. to reduce its security profile. Washington has also focused much of its attention to such conflict-ridden areas as the former Soviet Union, Somalia and Bosnia, a development which is causing worry in East Asia and the Pacific.

Despite its repeated assurance of continuing presence in the region, the U.S. has done nothing concrete to soothe its Asia allies. In fact, Washington has kept its hand off from Cambodia, has continued to pressure China and Vietnam and has done little to ease trade frictions with Japan.

Washington also continued to snub the Philippines despite the latter's efforts to repair their damaged relations. Before he left for Japan during his state visit last March, President Ramos invited Clinton to pass by Manila to demonstrate American's concern for the region. Clinton ignored the invitation.

The president, however, continued to court Washington's attention, worried that the Philippines might altogether lose its strategic importance to the Americans. The president's letter to Clinton, hand-carried by Gen Lisandro Abadia, the AFP [Armed Forces of the Philippines] chief of staff, during his trip to Pentagon three weeks ago, suggested a more concrete assurance from Clinton himself.

In the letter, the president expressed "deep gratification" over the recent reaffirmation of the U.S. Government's continuing commitment to remain in the region. The reaffirmation was made by U.S. Secretary of State Warren Christopher.

The President said the Philippine Government's sentiments were shared by other ASEAN countries, "which view the continuing interest and presence of the United States as a stabilizing and energizing influence in this dynamic but uncertain period in the region's history." He also said "such presence would be indispensable" not only for the stability of the region but also for the maintenance of a political environment in which the advance of individual freedom and political democracy in East Asia can quicken in its pace." "I venture to suggest also that the continuing engagement and presence of the U.S. in East Asia and Pacific would serve to strengthen the U.S. relations with his economically dynamic region of the world for the benefit both of the U.S. and its regional partners," said the president.

'Iran-Based Fundamentalists' Seek Rebel Ties

HK2806090893 Manila PHILIPPINE DAILY INQUIRER in English 26 Jun 93 p 3

[Report by Carlito Pablo]

[Text] Iran-based Islamic fundamentalists are seeking to establish ties with local communist rebels in a bid to set up a new front against the United States and its allies, principally Israel, the Philippine embassy in Tehran said.

The embassy, in a report to Manila, cited a statement by a group calling itself Liberation International which called for an alliance with the National Democratic Front and its two main members, the Communist Party of the Philippines and the New People's Army.

"It is correct for the Philippine revolutionary forces to establish and consolidate relationships with the anti-imperialist forces in the Middle East," the group said in its statement which was published by Kayhan International, a leading English-language daily quoted as the official mouthpiece of the Iranian government.

The group also hinted that there have been initial discussions with communist leaders in the Philippines on the possibility of establishing links between the two.

The Liberation International, however, acknowledged an ebb in revolutionary movements in the world but stressed that the supposed "crisis in the world capitalist system" remains a favourable factor in their continuing struggle.

NDF Said To Reject Government Amnesty Program

HK2906043993 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Jun 93

[Text] The National Democratic Front [NDF] has reportedly rejected the amnesty program scheduled to be announced by the Ramos administration. NDF Secretary General Frank Fernandez said that the government has failed to resolve the root causes behind the armed struggle. He added that the government's amnesty program has made the revolutionary movement's situation worse because it has not supported the cause of the communist movement. Fernandez expressed his hope that the National Unification Commission would recommend a general and unconditional amnesty program to President Fidel V. Ramos tomorrow.

Investment Rises in First Five Months

HK2806082493 Manila MANILA BULLETIN in English 26 Jun 93 p 17

[Report by Corrie S. Narisma]

[Text] Investments registered with the Board of Investments [BOI] during the first five months of the year rose by 157 percent to P45 [Philippine pesos] billion from only P17.46 billion last year. The equity portion of the investments from January to May amounted to P14.33 billion, or 71.39 percent higher than the previous year's P8.36 billion.

Local investors accounted for the bulk of the equity contributions at P11.23 billion, or an increase of 84.75 percent from last year's P6.08 billion. Foreign equity investments, on the other hand, rose by only 35.8 percent to P3.1 billion from P2.28 billion. On a monthly basis, however, the cost of the projects registered in May dropped by 9.54 percent to P2.99 billion from P3.3 billion a year ago.

The drop was recorded despite the 124.19 percent increase in the number of projects involved from 124 in May last year to 278 last month. The 278 projects registered last May brought to 1,346 the number of project so far registered by the BOI. This represented a 128.14 percent improvement from the 590 projects in January to May last year.

The equity portion of last month's investments fell by 51.62 percent to P1.1 billion. Local investors accounted for P838.14 million, or a decline of 61.42 percent from last year's P2.17 billion. Foreign equity investments last month, however, were up by 115.25 percent to P274.8 million.

The BOI said that the Chinese remained the biggest foreign investors during the period with P972 million despite the reported pullout of the Shougang Corp of the People Republic of China from the integrated steel mill project of the Jacinto family. The Jacintos, according to Trade and Industry Undersecretary Tomas Alcantara, were given a year to find a replacement for the Shougang group in their steel project.

Singaporean Officers Comment on Joint Exercise

HK2806070493 Quezon City ABC-DWET Television in Tagalog 1000 GMT 25 Jun 93

[From the "ABC-DWET News Program"; passages in italics in English]

[Text] Singaporean soldiers learned something new about Filipino insurgency tactics. During the last days of the exercises, or war-games, between the Philippines and Singapore, different tactics were demonstrated. Here is Arlene de la Cruz with the details:

[Begin recording] [De la Cruz] Today is the last day of the joint military exercise between the Philippines and Singapore. Based on records, five-million Philippine pesos were spent during the 10-day exercise, which was held in the mountains of Barangay Palale and Taklan-Dumulag Hills in Palayan City. Both offensive and defensive forces used conventional warfare tactics during the exercise.

[Lieutenant Colonel Jovito Palparan] *There are some good techniques that they are employing which we can learn, mostly procedural.*

[De la Cruz] For the Singaporeans, the Filipino soldier's experiences added a new dimension to their knowledge of insurgency tactics, as eating, sleeping, crawling, and fighting in the mountains was a new experience for them. Singapore has not experienced actual battle.

[Captain Muhammad Ismail] *If given a choice, I would like to do it every year. It's quite tough having to travel quite some distance...*

[Dela Cruz] Signs of fatique were evident on the soldiers' faces, but there are also signs of joviality that testified to the fact that the exercise was just a game.

Whether the exercise was for a deeper purpose or just something designed to foster closer ties between the soldiers, there is no doubt that the joint military exercise has strengthened the relationship between Singapore and the Philippines. [end recording]

Thailand

Prasong: No Stand on U.S. Raid; Regrets Deaths

BK2806143393 Bangkok Army Television Channel 5 in Thai 1200 GMT 28 Jun 93

[Text] Thailand will not take a stand regarding U.S. attack on Iraq. Foreign Minister Squadron Leader Prasong Sunsiri expressed regrets over civilian casualties inflicted by the incident, and hoped the problem could be settled peacefully.

[Begin Prasong recording, in progress] ... of the United Nations is holding a meeting. Concerning us, we are far from facts and data. With regards to what has happened, there is a report that there were civilians killed. On this, I express my regrets. Things should not have been that serious. I hope the problem would be settled peacefully. [end recording]

Extra Security for U.S., Iraqi Embassies

BK2906023393 Bangkok BANGKOK POST in English 29 Jun 93 p 1

[Text] Thailand has taken security precautions in case Iraq retaliates against the US missile strike by resorting to terrorism in a third country, Deputy Foreign Ministry spokesman Rawi Hongsapraphat said yesterday.

The Police Department yesterday issued a statement saying additional security had been placed around the US embassy, the Iraqi embassy and those of other Muslim nations following the weekend US attack against Baghdad.

Foreign Minister Prasong Sunsiri, meanwhile, expressed sympathy for the civilians who died in the attack.

"I feel very sorry for what the Americans have done to Iraq," Sqn Ldr [Squadron Leader] Prasong said. "I didn't think that the situation would develop to something this serious."

But the foreign minister declined to take sides in the confrontation.

"We are far from the site of the attack and from knowing the facts," he said. "We regret the news that civilians died. It should not have happened."

Sqn Ldr [Squadron Leader] Prasong said he hoped the United Nations could find a peaceful solution to the conflict between Washington and Baghdad.

Mr Rawi said yesterday that a third country should not bear the brunt of the dispute, adding that Thailand would not take sides and has always stood against use of force.

Peaceful means and restraint should be applied in the resolution of disputes, he said.

Mr Rawi also voiced confidence Iraq would not retaliate on the same scale as during the Gulf War.

Paper Criticizes U.S. Strike

BK2906034193 Bangkok THE NATION in English 29 Jun 93 p A6

[Editorial: "US stretches self-defence to its breaking point"]

[Text] US President Bill Clinton ordered a missile raid on Baghdad Sunday morning on the basis of compelling evidence that Iraq was behind a failed plot to assassinate former president George Bush in Kuwait in April. The United States has warned Iraq that it will take further action if it retaliates for the raid.

American military and political leaders claim that the missile attack on the Iraqi intelligence headquarters was a success as 16 out the 23 huge warheads of the cruise missiles hit the complex and virtually flattened it to the ground.

However, these US leaders failed to stress that three missiles were off-target and landed in residential areas in the surrounding middle class suburbs, killing civilians.

The early morning American missile strike shattered the quiet of the sleeping Iraqi capital, with explosions and the strident sound of air-raid sirens. There had been none of the usual anti-American rhetoric in the Iraqi media to signal that Iraq was expecting the attack.

Baghdad has given no details of damage to the intelligence headquarters other than saying several houses in nearby middle class areas near the headquarters were destroyed. Witnesses said several people were pulled out dead from underneath the rubble of their homes.

A TV journalist reporting from Baghdad had this to say over Radio Australia yesterday of the injured who had been taken to a nearby hospital:

"I saw three wards in the hospital with women and children in them. These people were being treated for some serious wounds. One woman was having her eye stitched up and was screaming in pain."

The alleged assassination plot by the Iraqi regime and the military strike by President Clinton repeats the same pattern of confrontation between Saddam Husayn and Clinton's predecessor Bush. The result also appears to be the same. The United States has yet to topple Saddam Husayn and American aggression has only succeeded in killing innocent Iraqi civilians.

The latest US strike on Iraq has raised questions, rather than offer answers about American intentions in the region. Two pertinent questions beg to be answered.

Firstly, why was unilateral action taken by President Clinton without any consultations whatsoever with his Gulf allies? Secondly, why was it necessary to take action at all since the plot against George Bush had failed?

If necessary action had to be taken against Iraq, then it has to be governed by existing or newly acquired United Nations' mandates. The US action on Sunday does not appear to have any mandate from the UN and as such, the wisdom and legality of President Clinton's actions can be questioned.

Little does the US realize that the typical gung-ho response by Washington is another bonus gift to Saddam Husayn. Though many Arab leaders in the region oppose the Iraqi president, their sympathies will be with the Iraqi people especially if the Americans are seen to be using indiscriminate force on civilians without any mandate whatsoever from the United Nations.

Frankly, Washington's double standards are to be questioned by the international community. Why can't the United States act just as firmly in opposing Serbian aggression in Bosnia? Is Iraq being used to boost President Clinton's popularity ratings?

It's hard to escape certain sadness over the brave talk of a new world order. The strongest nation on earth can find no more sophisticated way to remonstrate with an unfriendly power than to lob 23 cruise missiles in the most populous area of its capital. The US interpretation of self-defence is certainly to stretch its definition to the breaking point.

Ranariddh To Include KR in Cambodian Army

BK2806142993 Bangkok Army Television Channel 5 in Thai 1200 GMT 28 Jun 93

[Text] Foreign Minister Squadron Leader Prasong Sunsiri received Prince Norodom Ranariddh, leader of the provisional government of Cambodia, who called on him at the Foreign Ministry at 1430 today. The two about the newly formed provisional government in Cambodia, which will be endorsed by the Cambodian parliament on 30 June, and noted a clearer direction in relations among the four Cambodian factions.

Talking about the role of the Khmer Rouge [KR], Prince Norodom Ranariddh said Khieu Samphan, leader of the Khmer Rouge, will hold talks with the provisional government next month on the formation of a national army. It has been estimated that Cambodia will need about U.S. $10 million each month for the expense of the national army.

[Begin Ranariddh recording in English, in progress] ... election. But they endorsed now the result of the election. At the same time, the Khmer Rouge let us know they are not against the provisional government of Cambodia. And certainly I will try to see whether we could associate them into any new army structure. [end recording]

As they did not take part in the election, the Khmer Rouge had no role in the setting up of the government. Anyway, it has become quite clear that they would be part of the national army this time.

Meanwhile, Squadron Leader Prasong Sunsiri said the Cambodian Government will honor all trade and investment agreements with Thai businessmen in Cambodia. Prasong said he advised Cambodia to form a private-sector advisory group on investment for coordination with Thailand.

[Begin Prasong recording] Everything under the previous agreements and contracts will remain unchanged. There will be no change, especially where it concerns the ministries of trade, investment, and industries, which have come under control of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. The same with other ministries anyway. The coalition government will allow businesses to continue as previously agreed upon. [end recording]

Vows To Honor Trade Agreements

BK2906031993 Bangkok THE NATION in English 29 Jun 93 p A2

[Text] Cambodia's Prime Minister-designate Norodom Ranariddh yesterday reiterated that his interim government would honour all trade agreements signed between Thai businessmen and the Cambodian factions, including the Khmer Rouge.

Thai Foreign Minister Prasong Sunsiri said yesterday after a one-hour meeting with Ranariddh that the Funcinpec [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] leader reaffirmed his country's intentions and also proposed setting up a joint Thai-Cambodian advisory board to broaden Thai investment in Cambodia.

Ranariddh briefed Prasong on the current political situation in Cambodia, including the formation of the interim government which comprises Funcinpec and the Cambodian People's Party.

"Cambodia will never forget what Thailand has done [for Cambodia], in particular what His Majesty the King and successive governments have done for our refugees by allowing them to stay for years on Thai territory," said Ranariddh, whose party won 58 of the 120 seats in the national assembly.

He said Cambodia's interim government will have a special relationship with Thailand.

Ranariddh reassured Prasong that his party will take care of trade and investment so that all agreements with Thailand would be honoured.

Prasong said proposals from the planned private sector advisory board would be assured of further discussion.

Ranariddh said the advisory board will select serious Thai investors in Cambodia.

Cambodia will not follow western suggestions to exclude the Khmer Rouge from national reconciliation to prevent a renewal of civil war, Ranariddh said yesterday.

He said he will continue to talk to the Khmer Rouge in order to bring them back into the Cambodian community.

"We cannot ignore that westerners want to eliminate the Khmer Rouge faction. If we follow their suggestion we will have war against each other again," Ranariddh said.

He was referring to a recent statement by US Deputy Secretary of State Clifton Wharton who said last week in Cambodia that the United States will not consider provision of aid to Cambodia's interim government in the presence of the Khmer Rouge.

Wharton said in Bangkok earlier that Washington will not intervene in the domestic affairs of Cambodia, but he felt reluctant to comment when asked if the United States would recognize the interim government if it has a Khmer Rouge presence.

Assistant Secretary of State for Southeast Asia and Pacific Winston Lord meanwhile told the US Congress that Washington would oppose any inclusion of the Khmer Rouge into the Cambodian community.

Ranariddh said the Khmer Rouge is not against the provisional coalition government, even though it did not participate in the general election, and that it accepted the results of the poll.

However he said the Khmer Rouge has made it clear that it does not want to be part of the government.

"I will try to see whether we could have [the Khmer Rouge] in the new structure of the army.

"The chiefs of staff of the three armies have stated in written documents that they will not oppose the participation of the Khmer Rouge in the army," the prince said, adding that the door is still open for the Khmer Rouge to participate in the army.

'Offensive' Ordered Against Cambodian 'Bandits'

BK2906025393 Bangkok BANGKOK POST in English 29 Jun 93 p 1

[Text] Army commander Gen [General] Wimon Wongwanit yesterday ordered "offensive military action" against Cambodian bandits operating along the Thai-Cambodian border following the deaths of three Thai rangers in a gun battle on Sunday.

The gun battle erupted when rangers tried to free six Thai farm workers who had been abducted by at least eight Cambodian bandits who demanded a ransom of 400,000 baht.

Police rushed to the scene to free the hostages which started the gun battle in which three Thai rangers were killed and another wounded.

The hostages, however, were not rescued. The casualties among the bandits are not known.

During yesterday's monthly meeting of key army officers at the Army Hall Gen Wimon raised the issue and urged combat unit commanders positioned along the Thai-Cambodian border to conduct an "offensive drive against the bandits," one senior army officer quoted Gen Wimon as saying.

"The Army has taken a defensive policy during the past but from now on we will take the offensive. A number of small military units will be sent out to hunt them down.

"Gen Wimon's policy is quite clear that violence along the border area will be countered with more violence from the Army," the officer said.

Gen Wimon told reporters after the meeting that the Army would take strong military action against Cambodian bandits who rob Thais living along the Thai-Cambodian border.

He said a number of mobile military forces have been formed with the sole purpose of eliminating the bandits who operate along the common border.

Gen Wimon said the army will raise the issue for discussion soon with leaders of the three Cambodian factions, Prince Sihanouk, Son Sann and Hun Sen,

"We will let them know that if they persist in causing trouble in Thailand then we will retaliate with force.

"If they use violence we will counter with violence," said the commander.

Military sources said the 6th Infantry Division would soon conduct an offensive military campaign along the border of Buri Ram Province to root out Cambodian bandits operating in the area.

Senate Passes Bill Curbing Military Powers

BK2606020093 Bangkok BANGKOK POST in English 26 Jun 93 p 3

[Text] THE Senate yesterday passed in its first reading a bill requiring the military to obtain prior Cabinet approval before taking any action to suppress riots. The bill was sponsored by the Government in the wake of the brutal military crackdown on pro- democracy protesters in May last year. It has already passed the House of Representatives.

The bill also seeks to put the Royal Aide-de-Camp Department under the defence minister in tead of the defence permanent secretary. It also calls for the chief Aide-de-Camp General to His Majesty the King and his deputy chiefs to be made members of the Defence Council.

In presenting the bill to the Senate, Defence Minister Wichit Sukmak said the use of military force to suppress "riot" was within the bounds of duty and power of officials. However, it may sometimes affect the rights and freedom of the people.

Therefore, to make sure that the orders of the military were well thought out, the Defence Ministry would specify measures to be taken in suppressing riots but these must be first approved by the Cabinet. Members of the military-dominated Senate immediately criticised the bill.

Senator Thamnun Latpri said military force has to be used to suppress "rebellion" and "riots" but the two words were not clearly defined in the bill, which also failed to state who in the Defence Ministry would weigh the situation and subsequently order suppression action.

Senator Gen Sirin Tuklan said the chief Aide-de-Camp General serves the King and therefore should not be brought under the defence minister who is a political appointee. He should remain under the permanent secretary for defence.

Senator Vice Adm Phairot Santiwechakun said riot suppression calls for quick action and to acquire Cabinet approval in such a situation would mean loss of precious time that could kill the whole exercise. He suggested that someone be empowered to issue suppression orders and seek Cabinet approval later.

Mr Wichit argued that the absence of a clear definition for words such as "rebellion" and "riot" should not cause undue concern because both the terms were clearly defined in the Criminal Code. A rebellion was any attempt to topple the Constitution or seize the power of the legislative, judicial or the executive branch. Separatist actions also fall under this category. Riots, on the other hand, were acts of civil unrest involving violence.

Referring to Cabinet consent, he said the time factor should not be a problem because the military could still fall back on their power to declare martial law in specific areas or over the whole country. In the latter case the Prime Minister will also have to inform His Majesty the King.

Gen Wichit said after the bill is passed by Senate in its final reading, the Defence Ministry will have to issue regulations to govern the use of force and how the military should be mobilised to handle riots.

He also said the chief Aide-de-Camp General to His Majesty had requested the change to be brought under the defence minister. This was because the King usually extended his retirement age by five years which meant that he was more senior than the permanent secretary for defence. As such the status of the chief Aide-de-Camp General would only be equivalent to an army commander whereas in real terms he is much more senior.

After the Senate passed the bill it was sent to the Senate Military Affairs Committee for further scrutiny.

Army Chief Denies Military Pressure on Politicians

BK2906024193 Bangkok BANGKOK POST in English 29 Jun 93 p 3

[Text] Army Commander-in-Chief Gen Wimon Wongwanit yesterday denied the military had put pressure on the Government and reiterated that the Army under his leadership would not involve itself in politics.

Talking to reporters after clarifying press reports that a number of army officers had pressured Prime Minister Chuan Likphai, Gen Wimon said he did not believe that there had been any such incident.

Gen Wimon said he had repeated several times before that the Army under his leadership would not interfere in politics.

"The role of the Army is to follow the policy set by the Government," said Gen Wimon.

The commander said he is confident that there is strong solidarity and unity in the Army.

Asked whether he is confident that all of his soldiers would not break away from the Army line the commander replied, "Absolutely."

Commenting on the possibility of many of his former classmates from the Chulachomklao Military Academy Class 5 would enter politics after their retirement by the end of the year, Gen Wimon said there is nothing wrong with anyone entering politics as it is one of the good ways to serve the country.

He added that personally he would choose "good people" during the election.

The general did not respond to a question about whether or not he would support his former classmates if they contested the election.

"I have no comment on this," said Gen Wimon.

Chuan 'Convinced' No More Coups Possible

BK2906040993 Bangkok THE NATION in English 29 Jun 93 p A6

["Excerpts" of "exclusive" interview with Prime Minister Chuan Likphai by Chief Reporter Sorayut Suthatsanachinda on the occasion of the 61st anniversary of the 24 June 1932 revolution to create a constitutional monarchy; place not given]

[Text] [Sorayut] What is your view on political parties today?

[Chuan] We may keep talking about democratic ideals but as long as political parties fail in their role we can't expect to see real development in the multi-party system. For 61 years, there have been constant hitches in the development of political parties. The same problems have been true with democracy. However, failures of political parties and politicians should not be cited as an excuse for Thai people to turn their back on the system. We should always keep looking forward to building up new political parties or political venues to achieve democracy.

[Sorayut] What are the effects of October 14, 1973 uprising and May crisis last year?

[Chuan] We all regret that the two incidents happened. But with a hindsight, we should treat the events as valuable experiences. They were lessons in democracy—a lesson to prevent such tragic events from happening again.

[Sorayut] How can Thailand's democracy be strengthened?

[Chuan] We need time to learn and correct mistakes so that we will not repeat them. We need to use the lessons we have learned to guide our path towards true democracy. Even politicians need to understand the country's political system. They may think democratically but if they are confused about the system they could be led astray from their role and duty.

[Sorayut] How do you see the influence of business interests on politics?

[Chuan] Many politicians have abandoned political commitments for business interests. The structure of the House of Representatives has changed drastically over the years. MPs now represent people of a bigger range of professions. In a way this is a positive development. But there is also a negative side to it. More politicians with business interests have entered the House and are subjecting politics to it.

[Sorayut] What are the positive and negative factors in the development of democracy?

[Chuan] Increasing political awareness and freedom of the media have been among the positive factors contributing to democratic development. As for negative factors, people's lack of appreciation of democracy is one. Politicians themselves still do not understand the political system the country has, even though they are supportive of democracy. This has resulted in confusions. [Prime Minister Chuan had earlier criticized some politicians for their tendency to look to the American political system when they talk about politics].

[Sorayut] After more than 20 years in politics, what is your view on politicians?

[Chuan] Politicians know and understand this society better than before. In the past lawyers and teachers made up the majority of politicians. Today, we have people from other professions who have better understanding of the society. But I want to stress that ethics and morality must go hand-in-hand with politics. I am concerned about politicians who treat ideals and honesty with contempt. They find ideals and honesty to be outdated qualities. I am worried that this kind of attitude would open a floodgate for politicians scrambling for political and business interests. That's why I have stressed with the Education Ministry the need to instill the new generation of people with the right attitude. The Interior Ministry must also have a longterm plan to combat vote-buying to stop this category of politicians from getting into office.

[Sorayut] What is your advice to tbe new generation of politicians?

[Chuan] I would advise them to work hard. This government is serious about clamping down on vote-buying. Deputy Prime Minister Banyat Banthatthan will coordinate with the Interior Ministry in fighting vote-buying and other electoral frauds from the village level up to the House of Representatives.

We have to encourage the new generation of people to have faith in the right political practices. That's why they have to work harder than those who have money, if they are committed to politics. I myself have been working hard even though I have been an MP for years. I have to do this in order to win votes during election time and this is a fact of life.

[Sorayut] How do you view the role of the media in promoting democracy.

[Chuan] The media have been instrumental in keeping the people informed of society's development. But like other institutions, the media constitute of people who give the profession a bad name. These people pursue wrong ideas or try to lead the readers on the path not conducive to democracy.

[Sorayut] Can future coups be possible in the country?

[Chuan] I am convinced that there will be no more coups. We have learned enough lessons the past 61 years. The people who control the armed forces have come to accept democracy. And more importantly, the people no longer concede to power seizures. Politicians have also learnt their lessons and are unlikely to try to create conditions to justify another coup as in the past.

[Sorayut] What is your message for the people on the occasion of the 61st anniversarg of the democratic revolution?

[Chuan] I want the people to come to term with realities. If we want to see the fruits of democratic development, we will have to accept the pains and problems we encounter. We are talking about an evolution—something which cannot happen overnight.

Disgraced Military Clique 'Powerful as Ever'

BK2706051293 Bangkok THE SUNDAY POST in English 27 Jun 93 p 23

[From the "In Print" column, citing the weekly news magazine KHAO THAI: "Class 5 down but not out"]

[Text] APPARENTLY apolitical and hidden from public view, the military group, codenamed "0143," comprising powerful armed forces figures led by once-mighty Class 5 graduates of Chunlachomklao Royal Military Academy, may be down, but they are far from out. It is still a force to be reckoned with—as united and powerful as ever.

Although its style appears to be in tune with the political changes, what the ambitious group has up its sleeves has kept people guessing, said KHAO THAI weekly.

Former prime minister Gen Suchinda Khraprayun was still the central figure at the group's recent reunion party in Phatthaya. Regardless of the public sentiments against him, Gen Suchinda, all-time president of the "0143" group, is still loved and supported by his colleagues from the armed forces.

Called upon to entertain friends with a song, Gen Suchinda responded with a political touch, saying "If I had been good at singing, I would have been premier for a much longer period." He was ostensibly alluding to the charismatic Gen Prem Tinsulanon who had served as prime minister for eight consecutive years.

Army Commander-in-Chief Gen Wimon Wongwanit, Class 5 de facto leader, is expected to play host to yet another reunion tentatively scheduled for September in Kanchanaburi. The gathering is expected to be dominated by Class 5 officers including Deputy Commander-in-Chief Gen San Siphen, Assistant Commander-in-Chief Gen Choetchai Thiratthanon and Deputy Army Chief of Staff Lt-Gen Yutthana Khamdi.

In truth, the Class 5 clique is as alive and powerful as ever, although its key members, Gen Suchinda Khraprayun, Gen Itsaraphong Nunphakdi and Gen Wirot Saengsanit, have been out of the limelight. The occasional show of force and strategic movement may be just the tip of the iceberg. Speculations have been rife over the group's power base and its quasi-political movement.

There seems to be a well-coordinated activities among the Class 5 officers, although some of them have been moved to inactive posts.

Political observers are particularly interested in what will happen to Gen San Siphen in the October reshuffle. That he may be moved out of the Army will not be a surprise. But how he will react to the way he is treated may be politically significant. He may express his feelings on the anticipated change during the next reunion of the "0143" group.

With Assistant Army Commanderin-Chief Gen Yutthana Yaemphan retiring this year, the vacated post is expected to be filled by Lt- Gen Wachira Suriyakun na Ayutthaya. However, Lt-Gen Yutthana Khamdi has emerged as another likely contender for the post. They are both deputy Army chiefs of staff.

Naturally, it will not be easy for Army Chief Gen Wimon, who retires in 1995, to decide who gets the coveted post. Assistant Commander-in-Chief Gen Choetchai, who has been in close association with Gen Wimon over the years, is tipped to replace Gen San as deputy Commander-in-Chief.

Meanwhile, the Air Force branch of the "0143" group has apparently come to a deadend in terms of intraclass power transmission. The three Air Force chiefs, Air Chief Marshal Woranat Aphichari, ACM [Air Chief Marshal] Kaset Rotchananin and ACM Kan Phimanthip, are apparently the last members of the group. The Class 1 clique has run out of contenders for the top post of the Air Force.

ACM Prachum Chaisiri and ACM Roengchai Sanitphan, both holding inactive posts, and Permanent Secretary for Defence ACM Suwit Chantharapradit regard themselves as non-contenders for the post.

"I have no desire to become the next Air Force chief. I would like to hold onto my current post until my retirement next year," KHAO THAI quoted the permanent secretary for defence as saying.

An Air Force Class 1 graduate, ACM Woranat, for unknown reasons, has never attended the "0143" events. The forthcoming reunion will again be without him. On the contrary, Armed Forces Inspector-General ACM Kaset, Air Force Chief Kan, and Permanent Secretary for Defence ACM Suwit have always been part of the group activities.

The next "0143" reunion will likely see additional faces such as ACM Sommot Suntharawet, ACM Prachum Chaisiri and ACM Wira Kitchaton.

Those from the Air Force branch who may not show up at the next reunion are ACM Roenchai Sanitphan and former deputy Air Force chief ACM Anan Kalintha.

While Deputy Permanent Secretary for Defence Gen Wirot Saengsanit is reputed to be an ardent group member, Gen Itsaraphong Nunphakdi who is said to be unhappy with his inactive post at the Supreme Command Headquarters, has not participated wholeheartedly in group activities.

The next reunion is expected to be participated in full by key officers from the Navy branch of the "0143" group. Navy Chief Admiral Wichit Karunyawanit and Royal Thai Fleet Commander Adm Santiphap Muming, who is tipped to rise to the Navy top post, have promised to be there. Also to be in the Navy Chief's company are Assistant Navy Chief Adm Prachet Siridet, who is expected to succeed Adm Santiphap upon his retirement, and Vice Adm Winai Nainanon, the likely new commander of the Royal Thai Fleet.

Everything considered, the "0143" military group is here to stay. Although the key positions previously held by Gen Suchinda, Gen Itsaraphong and ACM Kaset have changed hands, the group's power base appears to remain intact. The unity and solidarity among the Class 5 members and their colleagues in the Air Force and Navy have been as firm as ever. Key military positions are virtually filled by ranking members of the group or their close associates. The October reshuffle will see the group's power base remain secure. The "0143" military group has been down but not out, said KHAO THAI.

Democratic Groups Critical of Prime Minister

BK2606051393 Bangkok THE SUNDAY POST in English 27 Jun 93 p 22

[By Prasong Charatthamron: "Mr Prime Minister, have you forgotten May?"]

[Text] Some people may think that Prime Minister Chuan Likphai and his ministers have emerged from the no-confidence debate even more confident, having escaped the verbal onslaught with relatively minor scratches.

However, in Thai politics, the real threat to the government's stability doesn't always originate in Parliament, but often from outside pressure groups.

History tells us that pressure from forces outside the Parliament against a government have much more impact than a no-confidence motion. If it weren't some elements in the military, then it would be some other pressure groups.

Taking this fact in mind, Mr Chuan should not be too complacent. He should be even more prepared for the next wave of political storm, blowing from outside the Parliament which can pose a real threat to his administration.

Whether he likes it or not, in my opinion, the next storm blowing against Mr Chuan is likely to come from the group of "progressive democracy heroes" and their affiliates which have emerged from the May carnage. After helping to restore democracy with blood and tears and forcing the military to return to the barracks, these new pressure groups have slowly filled society's power vacuum.

They have now become a powerful extra-parliamentary force, perhaps even more powerful than any other pressure groups in our society. Their voices were heard loud and clear last year, louder even than any other voices of democracy-minded people now and for a time to come.

They believe that they are the most crucial factor in bringing about democracy to our society. They are proud of their success in overthrowing the military dominated regime. They are confident that they can create a "new dimension" in the Thai politics.

In the election last September, they put a lot of energy and efforts to inject such a new dimension into the Thai politics. They quietly pinned their hope behind the so-called "angelic" parties which they thought share the same political ideal. They hoped that when these parties won the election, the new government would help to suppress those they viewed as being "evil forces" and to transform the society into a model of democracy of their own ideal.

They thought that the new government would recognise their power and usefulness in politics and in a "more democratic" society, and would be on their side.

They see the newly-elected government as coming to power riding on people's blood and tears.

They think that Mr Chuan and the Democrats couldn't have won the largest number of MPs to head the coalition government if they and the people hadn't successfully fought against the dictators last May.

With this line of thinking, they feel that the Chuan Government must "belong" to them and recognise them as the foremost group to listen to.

In their mind, Mr Chuan and his Cabinet must pay back debts they owe to "May heroes" who sacrificed their lives in the fight against the Suchinda-led government and their military backers.

In their view Mr Chuan shauld recognise the role of these progressive democracy groups to an extent no less than what they had enjoyed in the Anan II Administration.

To their disappointment, Mr Chuan does not.

So they turn against him.

This extra-parliamentary democracy force has now opposed the Chuan Administration because, in their view Mr Chuan has committed more than a few mistakes.

Mr Chuan is too compromised with the old power cliques in the country.

He has failed to respond to their demand to promote their ideology of full-fledged democracy derived from the May struggle.

Mr Chuan has also failed to clear up a charge by right-wing groups that the May heroes were merely arsonists.

Mr Chuan did not remove key military commanders responsible for the pro-democracy crackdown.

Mr Chuan did not take action against the key military leaders and the ex-premier who ordered the bloody suppression of pro-democracy activists.

And, no less important, Mr Chuan failed to provide continuous support for the "pro-democracy movement" which rendered its service in ensuring fair election last September.

Mr Chuan has done nothing concretely and positively to respond to the wish of the progressive democracy heroes but often hides behind his oft-repeated motto of "adhering to the rule of law."

Having outlined this scenario, I would like to pose some questions of my own.

Doesn't Mr Chuan see the power of these extra-parliamentary pressure groups?

Doesn't he know that heeding the call of these pressure groups is necessary for a government to stay longer in office?

Doesn't he know that being friendly with those who speak loudly is beneficial to Government stability and popularity?

Doesn't he know that the new democracy forces can influence public opinion?

Is Mr Chuan no different from other business politicians who throw in their lot with the old power cliques?

Does he really betray those who shed blood and tears fighting the dictatorship in the May event?

Mr Chuan was recently booed by a group of protesting farmers in a northeastern town when he tried to explain why the Government's guarantee paddy price there was lower than that in some other provinces. He apparently failed to win their hearts and minds.

Yet, I remember one sentence which Mr Chuan said:

"I try to solve problems by not simply pleasing any particular group no matter how loud their voices are, but I try to keep the public interest in mind."

I hope that having survived the no-confidence debate with flying colours Mr Chuan would also survive the upcoming political storm outside the Parliament.

I wish you well, Mr Chuan, even though yours is not exactly my kind of an ideal government.

Corruption Poll Findings Upset Politicians

BK2806043193 Bangkok THE NATION in English 28 Jun 93 p A4

[Text] WELL-KNOWN academic Choemsak Pinthong asked opposition politicians yesterday to be "reasonable" after Chat Thai Party Secretary-General Banhan Sinlapa-acha made a veiled threat to cut university research budgets following a controversial Chulalongkon University poll on corruption.

The poll results showed that as far as corruption is concerned, the Chat Thai Party's image is the worst. The biggest opposition party initially vowed to sue the researchers who produced the poll, but has since dropped the plan.

Banhan was asked by reporters over the weekend whether opposition MPs would seek to trim university research funds in the upcoming parliamentary deliberation of the 1994 Budget Bill. Banhan will become a member of a special committee to be set up to scrutinize the bill after the first reading.

Banhan said research budgets had been "noticeably high" in many agencies and "we have gained little from the money". "In the upcoming budget debate, we will check whether approved research budgets produced anything good," he said.

"I think some people have to be more resonable," said Choemsak yesterday. "Academic research opens society's eyes, and if the opposition MPs believe the recent poll was libellous, they can sue the university."

He added: "I think soon the MP who said the research budgets should be cut will regain his consciousness."

Meanwhile, Chat Thai member Sanit Phanphet, the deputy secretary to Chat Thai leader Praman Adireksan, said yesterday his party did not plan to conduct its own opinion poll to counter the Chulalongkon poll nor would it file a defamation lawsuit against the Chulalongkon researchers.

"This is because we have determined that the Chulalongkon poll was not based on academic principles, judging from the small number of respondents it polled," Sanit said. He added that the opinion poll should have been conducted in areas where Chat Thai has strong public support.

According to the Chulalongkon poll, about 15,000 people in the capital and upcountry responded.

Meanwhile, Niphon Wisityutthasat, a member of the Chat Thai executive committee, said he personally thought the party should not lodge a defamation lawsuit because the poll was in line with democracy.

Earlier, Chat Thai spokesman Songsuk Phakkasem said his party was considering asking the House of Representatives to investigate the findings of the opinion poll.

Report on Helicopter Purchase Angers Army Chief

BK2906030993 Bangkok THE NATION in English 29 Jun 93 p A2

[Text] Army chief Gen Wimon Wongwanit yesterday blew his top over a newspaper report that claimed his armed forces would buy a fleet of France's Dauphin commercial helicopters.

"Newspapers should not allow themselves to be used by arms agents," said Wimon.

"The media should stick to the facts when reporting any issue. Tell me, who exactly supplied that piece of news. Was it a man or woman arms agent."

Wimon apparently lost his temper when approached for comment on a report in the Baan Muang newspaper last week that the army's purchasing committee had decided to buy the Dauphin helicopters.

The article, quoting an unidentified army source, said Wimon would make the final decision, adding that it was very likely that Wimon would ink the deal with the suppliers of Dauphin helicopters.

Wimon said he had checked with the purchasing committee and found that the panel had never made any decision to buy Dauphin helicopters.

He said he believed Thai agents of the Dauphin suppliers cooked up the false report in an attempt to influence the army into buying the brand.

The army chief said he would not deal with arms agents.

"We have to abolish the system of purchasing arms through agents. I will make only government-to-government deals," said Wimon.

Army chief Wimon said the press should stop playing up reports that the generals and their classmates who were responsible for the May bloodshed last year would enter politics.

"The press should not try to check any group from playing politics as it is not fair to the group," said Wimon.

"They [the generals] are also Thais, so they should have a chance to serve the country [as politicians]. The press should let the public decide."

Deputy PM Accuses Banks of Interest Rate Collusion

BK2606023693 Bangkok BANGKOK POST in English 26 Jun 93 pp 15, 22

[Text] DEPUTY Prime Minister Suphachai Phanitchaphak yesterday accused commercial banks of colluding in fixing their interest rates. Dr Suphachai, who was president of Thai Military Bank before he assumed his portfolio in the Chuan Cabinet, said he strongly disagreed with such practice.

"They (commercial banks) should stop such practices. Each bank should be independent in fixing its own interest rates and that will lead to more competition," Dr Suphachai said.

He said after the Government liberalised the local money market, the commercial banks had engaged in tough competition and the spread between lending and deposit rates had been lowered. However after the first year, the commercial banks realised that such tough competition did not benefit them, so they reduced their competition and adopted the collusion practice. The collusion, he said, had enabled the commercial banks to enjoy high interest rate spread, "so I think they should cut the lending rates."

However, he said, the authorities have no power to prohibit such collusion. "I think it depends on the commercial banks' responsibility."

He made such comment amidst mounting tension between the Bank of Thailand and the commercial banks. The Bank of Thailand had sent its signal for the commercial banks to cut their general lending rates to help stimulate more investment and business activities of small and medium-sized firms. By sending such signal, the central bank viewed that the commercial banks' interest rate spread is still high and should be narrowed down without affecting their profitability. But the central bank's signal received a lukewarm response from the commercial banks. The commercial banks claimed that the high margin they had made during the first quarter of this year was not the result of the high spread alone.

Instead, they claimed that the difference between their lending and deposit rates is only marginal. The high profit was partly due to their successful efforts in seeking low-cost funds from overseas sources and their capability in boosting their fee-based incomes.

The Bank of Thailand signalled its lower-rate policy through the reduction of its standard rate by one percentage point since June 1, but so far only a few commercial banks have responded to its signal by cutting their lending rate ceiling, but not as much as the central bank had expected. However, Dr Suphachai reaffirmed yesterday that the interest rate spread of the commercial banks is still too high. "The central bank has sensed the high spread since last year," he said.

However, he said, the central bank can only send its signal to the commercial banks and has no authority to force the commercial banks to lower their interest rates.

"It is recognised that the commercial banks are more effective in helping distribute modernisation to the provinces than other institutions and one of the key instruments is the interest rate and that is why the central bank needs their help. I believe that the commercial banks have high social responsibility and they are ready to contribute to the country. None of them would only take to the profits," Dr Suphachai said.

However, he said, it may be not easy for the commercial banks to adjust themselves because huge sums of funds are involved. "The change of each percentage point of interest rate means billions of baht."

The deputy premier accepted that the interest rates in the local market are still not moving in line with the real market situation.

"The first reason is that our money and capital markets are still not developed enough. We have only a few debt instruments in the money market and the development of this aspect takes a long time," he said. The bargaining power of borrowers in the provinces are also too low to negotiate for lower interest rates.

"So, commercial banks should be allowed to open branches freely in the regions. The competition among them will enable their borrowers to have more bargaining power," he noted.

At present, borrowers in the provinces are charged higher interest rates by the commercial banks which consider lendings to people upcountry carry higher risks.

The start of the Bangkok International Banking Facilities scheme also enables the commercial banks to bring in low-cost funds from abroad, so they don't have to compete in mobilising savings, making the deposit rates low and widening the spread. But Dr Suphachai's note contradicted comments made by several bankers earlier that the competition among the commercial banks in mobilising savings is very fierce and some banks have offered 11 percent or more to depositors, while the prime lending rate is merely 12.5 percent.

Dr Suphachai said the central bank would not be able to force the commercial banks to reduce their interest rates but can only invite commercial bankers for talks.

Workshop Discusses GSP, Trade Laws

BK2206021593 Bangkok THE NATION in English 22 Jun 93 p B2

[By Usani Hararuk and Chirawat Na Thalang]

[Text] A Japanese trade expert has warned that the lack of a common standard on customs evaluation, normal classification and standards of rule of origin will obstruct developing countries in benefiting from the tax concession programme under the Generalised System of Preferences (GSP) programme.

T. Ujiie, a coordinator of the United Nations Conference on Trade and Development's (Unctad) Technical Cooperation Programme on GSP and other Trade Laws, said differing standards will make it more difficult for importers and exporters to exercise GSP privileges.

"Customs evaluations vary. The USA, Canada and Australia use FOB (free on board), while the EC EFTA and Japan use CIF (cost, insurance and freight)," Ujiie explained.

Normal classification is confusing as different countries classify GSP-granted products under varying systems. The same confusion applies to the rule of origin.

"Two different systems are currently used to administer rule of origin: the product origin and the process origin," Ujiie said.

As Thailand's exports have almost reached Bt[baht]1,000 billion, and GSP-related exports amount to about Bt200 billion, the workshop on GSP and other trade laws was necessary for the country to know how it can benefit most, Adun Winaiphat, deputy director-general of Department of Foreign Trade, told THE NATION yesterday.

Speaking at the workshop—jointly held by Unctad, the United Nations Development Project (UNDP) and the Foreign Trade Department—Adun said there were 2,000-3,000 lists of products under the GSP which Thailand still does not exploit to the fullest.

"Most of our GSP-granted exports go to the EC and the US," Adun said. Among Thailand's top 10 products exported under GSP privileges are jewellery frozen fish, canned pineapple, shoes and electronic calculators.

A. Belkora, Unctad's Geneva-based chief of the GSP section, told the meeting that in 1992, Thai exports under the GSP programme amounted to US$5 billion and went mostly to the European Community the United States and Japan.

First implemented in the 1970's to stimulate export trade from developing countries, the GSP programme is a temporary, autonomous, and non-reciprocal measure, used to grant import tariffs to both farm- and industrial-based products originating from developing countries.

"It is provided by developed countries to products originating from developing countries. For this reason if beneficial countries become highly competitive, they may be excluded from the GSP country list and this is not subject to any negotiation," said Ujiie.

Saiichiro Otsuka, minister, Japanese Embassy in Bangkok, said Thai exports under preferential import tariff in 1992 accounted for 5 per cent of Japan's total import preferential tariffs, given to 130 countries.

"This made Thailand the sixth largest beneficiary country," Otsuka affirmed.

Japan, in April 1991, extended its GSP programme for another 10 years. Meanwhile, the European Community has been extending its current programme annually since 1991.

Belkora said that five basic elements helped explain what the GSP is.

Firstly, GSP is granted mostly to industrial products, as well as more limited processed farm-based products to boost industrialization in third-world countries.

GSP is also related to harmonization, a system to classify the products. "All products going into international trade are all given in numbers," Belkora said.

The third element is the extent of the tariff. "In major schemes, most manufactured products are allowed to enter the developed countries duty free," Belkora said.

The fourth element is GSP safeguard mechanisms. "This is to give developed countries some kind of control over preferential imports in case there is a surge of imports," Belkora said, "It comes in the form of limitation, ceilings, quotas or the US's Competitive Need Limit (CNL)-."

"With limitation, you can still export but your products are subject to normal tariff rate beyond the stated limit," Belkora explained.

The final element is the GSP rules of origin. "This is to make sure that exports are originating from developing countries and therefore eligible for the prlvileges," Belkora said.

Adun, meanwhile, told reporters that Thailand has begun to grant GSP to neighbouring countries.

"We give the GSP in certain products, especially in low-cost products so we can move the production there and concentrate on high value-added products," Adun said.

Vietnam

Ministry Spokesman Regrets U.S. Attack on Iraq

BK2806151193 Hanoi VNA in English 1424 GMT 28 Jun 93

[Text] Hanoi VNA June 28—'Vietnam expresses its regret at the United States' sudden missile attack on Baghdad, capital of the Republic of Iraq, causing casualties and property losses to civilians there', said a spokesman for the Foreign Ministry in response to questions by foreign correspondents in Hanoi today.

'Vietnam's consistent stance is that all differences among countries must be settled by peaceful means, and non-use of violence shoule be applied to international relations', he reaffirmed. 'The United Nations Charter and the sovereignty of all nations must be respected'.

Hospital Development Contract Signed With U.S.

BK2906111193 Hanoi Voice of Vietnam in English 1000 GMT 28 Jun 93

[Text] A joint venture contract was signed in California early this month for a Vietnam-U.S. hospital development plan, but it cannot take effect until the embargo is lifted. The total capital of the contract is $10 million. Two-thirds of the sum is to build and run a state-of-the-art hospital in Hanoi.

The investing American companies are the First Choice Realty and Investment Corporation and the Real Estate Medical Investment Trading Corporation. The Vietnamese partner is the Tran Hung Dao Hospital, a military hospital in Hanoi. The project, to be located in Tran Hung Dao street, will be a small-sized hospital with 50 beds and equipped with U.S. high-tech medical facilities.

Vo Van Kiet Continues European Tour

More on Activities in France

BK2906085593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 28 Jun 93

["Essay" by station correspondent Dinh Khai: "A new page in Franco-Vietnamese relations"]

[Text] Dear friends, on 23-27 June, at the invitation of French Prime Minister Balladur, our government delegation led by Prime Minister Vo Van Kiet paid an official visit to the Republic of France. During the five-day visit, Prime Minister Vo Van Kiet and his entourage held talks with French leaders on issues of mutual concern.

Besides working sessions with the French officials, Prime Minister Vo Van Kiet received 250 French businessmen and privately held meetings with entrepreneurs who have invested in Vietnam. He visited the telephone-assembling factory of the Alcatel Telecommunications Group in Normandie. Alcatel has been enjoying an effective relationship with the Vietnamese postal and communications service. It plans to increase cooperation with Vietnam in the future. Prime Minister Vo Van Kiet and his entourage also visited an animal husbandry center in Loire Province.

In the reception and talks with Vo Van Kiet, the French leaders expressed their pleasure at the Republic of France being chosen as the starting point for the four-country and EC visit by the prime minister. They stated that the visit to France ushers in a new stage in relations between the two countries. Prime Minister Balladur said that the Vietnamese renovation with its market- oriented economy has scored many achievements in the past, and that it is a good foundation for cooperation between the two countries. France is always on Vietnam's side and it will help Vietnam to develop.

In the meetings between Prime Minister Vo Van Kiet and French leaders, more time was spent discussing economic issues. The two sides mentioned the time-honoured relations between the two countries. They agreed to close down the past and open a brighter future.

On the economic field, the French side confirmed that it will not only fully implement commitments made by President Mitterrand during his visit to Vietnam last February, but it will also further increase its economic cooperation with Vietnam. This year, France will double its economic aid to Vietnam compared to that of last year, including the gratis aid and interest-concessional loan. The two sides agreed that they will assign a minister to examine the general planning of investment projects in Vietnam. Next month, France will send a special economic delegation to Vietnam to prepare for the next working steps. On the Vietnamese investment priority list, France agreed to invest in the construction of infrastructure, including building and upgrading public roads, railways, airports, ports, and postal and communications service, as well as infrastructure projects for education and medical service. It will also invest in other areas such as electricity, the processing industry, and so forth. Paralleling the activities of the government delegation, the Vietnamese businessmen accompanying the delegation were also conducting many meetings with their French counterparts to probe for investment capacities and potential in the future.

Dear friends, the five-day visit to France of the Vietnamese Government delegation seems too short. The agreed work schedule was tight everyday, but it had to be supplemented with more activities. Many businessmen, such as the general director of the Alcatel Group, manager of the Total Oil and Gas Company, and general director of the drinking water service CGE paid courtesy visits on the prime minister and sought his opinion on investment possibilities with Vietnam. The work schedule was so close that some businessmen had to wait in the corridor to meet Prime Minister Vo Van Kiet. Does this situation declare itself a new atmosphere in Franco-Vietnamese relations?

The official visit to the Republic of France by our Vo Van Kiet- led government delegation is successfully concluded. Together with practical results of the visit, the contact between us and our French friends is a great success. We had a chance to understand more about them and they also have a better understanding about us so that we can create the necessary conditions for increasing bilateral cooperation in the future.

Dear friends, in the morning of 28 June, after satisfactorily concluding the visit to the Republic of France, our delegation left Paris for Hamburg, starting an official visit to the Republic of Germany at the invitation of Chancellor Helmut Kohl.

QUAN DOI NHAN DAN Editorializes

BK2806114293 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 23 Jun 93

[From the "Press Review"]

[Text] The QUAN DOI NHAN DAN editorial, For Further Improvement of Vietnam-Western Europe Relations, says:

The trip of Prime Minister Vo Van Kiet will surely set the base and create new favorable conditions to further push forward political, economic, trade, and cultural relations between Vietnam and the Western European countries, as well as relations between Vietnam and other Western countries, on the principle of equity and for the mutual benefits of both sides.

This is another new evidence of the correct, creative, and very dynamic foreign policy of our party and state, which is effectively serving the comprehensive renovation undertaking of the country and is in line with the common contemporary trend.

Premier Visits Communications Factory

BK2806115693 Hanoi Voice of Vietnam in English 1000 GMT 28 Jun 93

[Text] The Vietnamese state delegation led by Prime Minister Vo Van Kiet was due to arrive in Germany on Monday [28 June] to start his official visit to that country. Earlier on Saturday [24 June], Prime Minister Vo Van Kiet left Paris for Normandie to visit telephone-assembling factory of the Acatel Telecommunications Group.

The Vietnamese prime minister also visited the Vietnamese Embassy and met with overseas Vietnamese living in Paris.

Main Discussion Topics Reported

BK2706073193 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 27 Jun 93

[Text] According to sources from Paris, Prime Minister Vo Van Kiet's official visit to France concluded on the afternoon of 25 June. The main topics of discussions between the French and Vietnamese leaders during this visit still center around bilateral economic cooperation, especially around Prime Minister Edouard Balladur's reconfirmation of a commitment made by President Francois Mitterrand during his visit to Vietnam in February of this year that France would double its financial aid to Vietnam to 360 million francs for 1993.

The French side also expressed its determination to help Vietnam reintegrate into international financial institutions, as well as its hope that, during the upcoming 12 July session, the problem concerning Vietnam's debt insolvency to the International Monetary Fund [IMF] will be settled. Besides, some 30 projects have been formulated and a group of French specialists will leave for Vietnam within the next few days.

The formulation of important investment projects is proof of the great interest of French companies in all aspects of Vietnam's economy, especially in tourism, water purification and supply, and the on-going construction of the trans-Vietnam high-voltage powerline. Regarding oil, the French company Total has planned to build an oil refinery to treat Vietnam's crude oil. The plant will be built near Ho Chi Minh City and construction costs will reach as much as 1.2 billion U.S. dollars.

During his visit, Prime Minister Vo Van Kiet expressed Vietnam's determination to promote the teaching of the French language. He reconfirmed Vietnam's intention to host the 1993 Francophone summit. According to the French foreign minister, France stands ready to help Vietnam in this matter.

The official visit has concluded but the Vietnamese prime minister is continuing his stay in France until 27 June to meet with representatives of Vietnamese residents in France and tour a number of Frances's castles and other tourist attractions.

Concludes Visit to France

BK2806150393 Hanoi VNA in English 1424 GMT 28 Jun 93

[Text] Hanoi VNA June 28—Prime Minister Vo Van Kiet left Paris this morning successfully concluding his 5-day official friendship visit to France.

After Paris Prime Minister Vo Van Kiet and his party are expected in Germany from June 28-30, Belgium from July 1-2, and Britain from July 3-6. In Brussels he will have talks with EC President Jacques Delors.

Activities in Germany Reported

BK2906111293 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 28 Jun 93

[Telephone report on Prime Minister Vo Van Kiet and government delegation's activities in Hamburg by station correspondent—date not given]

[Summary] "Dear friends, on 28 June, the SRV Government delegation led by Prime Minister Vo Van Kiet arrived in Hamburg to begin an official visit to the Federal Republic of Germany at the invitation of German Chancellor Helmut Kohl."

On hand to welcome Prime Minister Vo Van Kiet and his entourage at the Hamburg Airport were His Excellency (Remer Roze), chief of the Hamburg Premier Office's protocol department and other Hamburg high-ranking officials.

Upon their arrival in Hamburg, Prime Minister Vo Van Kiet and his entourage visited the Hamburg City Office and were warmly welcomed by Dr. (Hanzing Fozer), premier of Hamburg.

"On the afternoon of the same day, Prime Minister Vo Van Kiet and his entourage visited the Port of Hamburg and the Aviz Aircraft-Assembling Factory [AAAF]. Mr. (Benzi Zomens), director of the communications and port authority, and Mr. (Soven Thomas), member of the AAAF management board welcomed and showed the Vietnamese delegation various projects of Hamburg Port and the last assembling section of the A-321 aircraft of the AAAF."

On 29 June, Prime Minister Vo Van Kiet and his entourage will leave Hamburg for Bonn where an official ceremony will be held to welcome the Vietnamese Government delegation on a three-day official visit to the Federal Republic of Germany.

Thai Vice Prime Minister Reaffirms Cooperation

BK2606143793 Hanoi VNA in English 1405 GMT 26 Jun 93

[Text] Hanoi VNA June 26—Vietnam's stability and development will certainly make great contribution to the strengthening of relations in the region, said Vice Prime Minister Suphachai Phanitchaphak of Thailand during his reception in Bangkok yesterday of Vietnamese ambassador to Thailand Le Cong Phung who paid him a courtesy visit.

The Thai vice prime minister expressed his satisfaction at the development of relations between Vietnam and Thailand. He reiterated Thailand's determination to promoting economic cooperation with Vietnam for the interest of both countries, which is aimed at contributing to the stability and trend of cooperation in Southeast Asia. He promised to step up the settlement of the remaining questions between the two countries, especially the cooperation in exploiting Mekong River.

For his part Ambassador Le Cong Phung expressed Vietnam's wish for further development of the friendship and cooperation between the two countries.

Thai Fishery Department Delegation Visits

BK2706140993 Hanoi VNA in English 1350 GMT 27 Jun 93

[Text] Hanoi VNA June 27—A delegation of the Fishery Department of Thailand led by its Director Plotprasop Suratwadi has paid a two-day friendly visit to the southern province of Kien Giang. During their working session, the two sides has wide-ranging discussions especially on fisheries and seafood processing. They laid stress on the principle of cooperation on the basis of respect for each other's sovereignty, and agreed to exchange timely information on all violations of the sea area of each side. On this occasion, the authorities of Kien Giang returned 176 Thai fishermen caught while poaching in Vietnamese waters. The Thai side returned 26 Vietnamese fishermen caught in Thai waters.

War Veterans Delegation Visits PRC

BK2606065293 Hanoi VNA in English 0626 GMT 26 Jun 93

[Text] Hanoi VNA June 26—A delegation of the Vietnam Veterans Association led by Sen. Lieut. General Tran Van Quang, president of the association, has visited China from June 21 as guest of the Ministry of National Defence of China.

On June 23, the delegation was received by Sen. Lieut. General Chi Haotian, minister of national defence. The Chinese minister said that the enhancement of the friendship and cooperation between the two peoples and armies is greatly beneficial to the cause of economic construction and development in each country, as well as to peace and development in the region and the world.

On the previous day, the delegation was received and feted by Lieut. Gen. Xu Huizi, deputy chief of the General Staff of the Chinese People's Liberation Army.

On June 24, it left Beijing for Shandong, Shanghai and Guangxi.

More Reportage on National Assembly Meetings

Business, Bankruptcy Laws Discussed

BK2906080193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 28 Jun 93

[Text] Today, 28 June, the National Assembly deputies held group debates on draft laws on state-run business establishments and on business bankruptcy.

In the morning, the deputies discussed the draft law on state-run business establishments. At the group discussions witnessed by correspondents of the Voice of Vietnam Radio Station, deputies who expressed their views agreed that in the current conditions, the promulgation of the business law is essential. They also focused on the definition of state-run business.

There were differing views on whether or not the right to ownership and the right to ownership representation should be given to the prime minister, heads of the ministries concerned, chairmen of the people's committees involved, the Ministry of Finance, or the State Planning Commission. Some deputies maintained that those rights should be given to directors of business establishments.

Regarding the boards of management, the majority of deputies saw no need for such bodies to exist. Therefore, they recommended that all articles related to this issue be abolished.

On the issue of party leadership in the state-run business establishments, many deputies pointed out that despite the fact that state-run businesses operate within the market mechanism, party committees still need to be consolidated to hold firmly their leadership role. The deputies also stressed that trade union organizations still need to maintain their activities and join hands with the administration in accelerating production and caring for the welfare of cadres, workers, and other personnel.

Aside from their practical suggestions to a number of chapters and articles, some deputies recommended that the draft law be presented in such a way as to make it shorter, simpler, and more concise.

This afternoon, the deputies will continue to hold group debates on the draft law on business bankruptcy. All deputies agreed that the law on bankruptcy is an important law for the commodity economy which operates within the market mechanism of our country. Business bankruptcy is unavoidable, however, some deputies contended that considering an insolvent business as a bankrupt business is somewhat too harsh. Regarding the guarantor, there were suggestions that duties and responsibilities of a guarantor in case of bankruptcy must be clearly stipulated. Other deputies pointed out that though the law stipulates the provision of the guarantor, in reality there will be nobody willing to stand as guarantor. As a result, discussion on this issue is not necessary.

Regarding the time limit for businesses to fix their insolvency, some deputies supported the provision that grants authority to the agency that handles bankruptcy cases to assess whether a bankruptcy notice should be issued, or reconciliation measures and reorganization of the business be carried out. They also suggested that time limit for the reorganization of the business must be set up, in order to help the establishment back to its production or business activities on one hand, and to protect the interests of creditors, organizations, and individuals related to the establishment on the other.

On the provision of authority to handle bankruptcy cases, the draft law stipulates that it belongs to the Economic Tribunal, which does not exist at present. Many deputies contended that the National Assembly should quickly either pass the bill stipulating the establishment of the Economic Tribunal, or authorize the National Assembly Standing Committee to issue the regulations to set up the tribunal, so as to make the implementation of the business bankruptcy law soon be in place.

Tomorrow, 29 June, the National Assembly deputies will exchange views on personnel reinforcement of some National Assembly Committees, revise and supplement the 1993 legislature programs, the National Assembly's 1993 budget, and the work procedures of National Assembly deputies and delegations.

29 June Proceedings Reported

BK2906135793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Jun 93

[Text] Today is the 12th day of the National Assembly. The deputies continued to hold group debates.

In the morning, the deputies exchanged views on the appointment of additional personnel to a number of National Assembly committees, on amendments or supplements to the 1993 legislative work program, and on the National Assembly's 1993 budget.

In the afternoon, the deputies exchanged views in groups on the regulations governing the activities of National Assembly deputies and delegations. The majority of deputies concurred with the need that this time, the regulations governing the National Assembly's activities should be applied to both deputies and members of National Assembly delegations. They agreed that even though the draft regulations governing the activities of National Assembly deputies and delegations cover many points, they touch on many new issues and further clarify the rights and duties of National Assembly deputies, as well as their working relations.

A number of deputies, however, raised a question as follows: If the regulations governing the National Assembly's activities were to be followed in full, the deputies would not have enough time to fulfill their regular duties in the National Assembly and other special tasks. Others maintained that some regulations governing the

National Assembly's activities are not related to the activities of National Assembly delegations.

Regarding the activities of National Assembly delegations, some deputies believe that because the regulations governing the National Assembly's activities define the duties, functions, and activities of National Assembly delegations, as well as other related support services in a relatively adequate manner, they have concretized the duties of those delegations. Others, however, maintain that basically, National Assembly deputies in this legislature have to perform many duties at the same time whereas the regulations governing their activities cover too many time-consuming tasks. For example, the number of annual meetings alone already stands at 10, thus making it difficult for the deputies to fulfill their duties.

Some deputies maintain that National Assembly delegations do not have a specific level of organization with well-defined authority. The regulations governing their activities, however, define them as organizations with a specific level of organization. Others pointed out that the draft regulations do not deal with the role of National Assembly delegations during the various sessions, the relations between National Assembly delegations and provincial party committees and the standing bodies of people's councils and people's committees, or the role of National Assembly head delegates. Still others believe that the draft of the regulations may put a number of articles together. For example, regarding those articles which have already been included in the law on the organization of the National Assembly, the draft of the regulations should include them by adding the phrase 'under article such and such of the law on the organization of the National Assembly' and that should be clear enough.

Tomorrow morning, the National Assembly will continue to hold group debates on the regulations governing the activities of the National Assembly's Standing Committee, the National Assembly's Nationalies Council, and other National Assembly committees.

Vo Van Kiet Visits Quang Binh Fertilizer Plant

BK2806143993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 17 Jun 93

[Text] During his visit to Ha Tinh and Quang Binh Provinces, Prime Minister Vo Van Kiet on 13 June visited the phosphate fertilizer plant in Quang Binh, a major plant of the Thien Dong Corporation that plays a major role in agricultural production.

Prime Minister Vo Van Kiet observed the production chains and listened to leading provincial cadres and the report on production activities of the plant since its establishment in 1991.

Under the leadership of the Thien Dong Corporation's management headed by Mr. Pham Van Hieu from Canada, cadres and workers have quickly applied scientific-technological innovations to the plant's production line, thereby improving the product's quality and helping it catch up with international standards, while meeting demands in various provinces.

The plant produced 3,290 tonnes of fertilizer in 1992. During the first six months of this year, the plant produced 2,270 tonnes. The ferlitizer is of good quality, and is thus popular with peasants in the northern and central provinces.

Prime Minister Vo Van Kiet commended the cadres and workers for their efforts and achievements. He expressed the hope that with experience, the plant will continue to expand and develop its production to better serve peasants in the province and adjacent localities.

Vu Oanh Attends Science-Technology Seminar

BK2806152193 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 19 Jun 93

[Text] On 18 June, the Vietnam Union of Scientific-Technological Associations [VUSTA] held a seminar under the theme "roles and characteristics of Scientific-Technological Associations in Vietnam."

Attending the seminar were comrade Vu Oanh, member of the Communist Party of Vietnam Central Committee Political Bureau; Ha Hoc Trac, member of the party Central Committee and chairman of the VUSTA; and representatives of sectors and branches concerned.

The seminar asserted that various scientific-technological associations must surge forward while the state should formulate correct regulations to help promote activities of these associations in the new situation.

Addressing the seminar, comrade Vu Oanh asserted the significance of these associations and the Vietnamese intelligensia. He urged the party and administration to make greater efforts to create favorable conditions for these associations to develop their role and activities in the days ahead.

Energy Sector's Production Figures Revealed

BK2806140193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 23 Jun 93

[Text] According to a source of the Voice of Vietnam Radio correspondent, in the first six months of the year, the energy sector produced an estimated at 5.1 billion kwh of electricity, 3.673 billion kwh of which was produced by the commercial sector, or over 11 percent higher than the same period last year.

The commercial electricity production has appropriately met the demand of production activities, especially in the southern provinces where power cuts are no longer necessary.

Power consumption has also increased by 23 percent in comparison with the same period last year. The production of washed coal is estimated at over 2 million tonnes or 12 percent more than the same period last year.

In the first six months, the energy sector contributed 662 billion dong to the national budget, thus fulfilling 39 percent of the annual plan. In the next six months, the sector will strive to produce over 5.1 billion kwh, and to reduce energy loss by 3-3.5 percent. The sector will pay the utmost attention to maximize the exploitation of the Hoa Binh, Tri An, and Da Nhim hydroelectricity projects, in parallel with stepping up maintenance on the 110 and 220 kv powerline network. In coal production, the sector will strive to produce 2.2-2.5 million tonnes and coal exports should reach 1-1.2 million tonnes.

Also, the energy sector will cooperate with other sectors to ensure adequate capital and supply of material for the production of 3,428 concrete bases and steel pylons, and for the wiring of the whole project of 500 kv powerline.

Winter-Spring Crop Harvest Figures Reported

BK2706140193 Hanoi VNA in English 1343 GMT 27 Jun 93

[Text] Hanoi VNA June 27—Farmers throughout the country harvested more than 9,877,000 tonnes in paddy equivalent in the recent winter-spring crop. 2,319,680 hectares were put under cultivation, 46,400 hectares more than the same crop last year. Due to an adverse weather and plant diseases in southern provinces, average rice yield was only 3.4 tonnes/hectare, 0.62 tonne less than the same crop last year, resulting in a drop of more than 500,000 tonnes in output compared with the same crop in 1992. In the northern provinces, the recent crop was a plus in all fields: acreage, per hectare yield and output (1,095,000 hectares, 3.7 tonnes/hectare and four million tonnes).

Soldier Receives Death Sentence for Murder

BK2906104193 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 28 Jun 93

[Text] Our correspondent in the 9th Military Region, Comrade The Dao has informed us that at the Quang Trung Military-Political Academy, the martial court of the 9th Military Region recently tried for the first time the case of Corporal Ngo Thanh Khoi, cadet of the 22nd Company, 2nd Battalion of the Quang Trung Military-Political Academy, who was born in 1971 at Tich Thien village, Tra On District, Cuu Long Province; and Chau (Isala), a local youth of Khmer origin, who was born in 1973 at Tan Trang Hamlet, Dai Tan village, My Xuyen District, Soc Trang Province.

Both defendants have prior convictions for murder and robbery in the locality. The summary of the case is as follows:

Seeing that Nguyen Viet Tam, a fellow cadet in the same squadron, possessed a gold neckchain, a gold ring, and a Seiko watch, Ngo Thanh Khoi and Chau (Isala) invited Nguyen Viet Tam to go with them to drink alcohol outside the base. Khoi then gave a knife to Chau (Isala) who stabbed Nguyen Viet Tam in the head four times. Tam collapsed and died instantly.

Investigations led to the arrest of Khoi and Chau (Isala) the next day, 16 January 1993. In accordance with Article 101, first phase, and Article 152, phase 3, which are the most serious phases, the panel of judges of the martial court of the 9th Military Region gave the following verdicts:

Ngo Thanh Khoi: death sentence for murder and 12 years of imprisonment for robbery of a citizen's property. The final penalty was the death sentence.

Chau (Isala): 20 years imprisonment for murder and 12 years of imprisonment for robbery of a citizen's property. The final penalty was 20 years imprisonment.

The verdicts of the panel of judges were received with contentment by numerous troops and local people present in the courtroom.

Australia

Cabinet Lifts 'Trade Sanctions' Imposed on Libya

BK2906071493 Melbourne Radio Australia in English 0500 GMT 29 Jun 93

[Text] Australia has lifted trade sanctions imposed on Libya in the mid 1980's. Mark Tamhane reports exports to Libya have plunged since the sanctions were imposed in 1986, and government sources say the cabinet decided to lift them for commercial reasons.

[Begin Tamhane recording] The cabinet has decided to cancel an appeal to business not to trade with Tripoli and lift bans on the provisions of export insurance to companies trading with Libya. The cabinet is also allowing Libyan students to study in Australia again, although they'll be subject to tough screening.

A foreign affairs spokesman says the decision to lift the restrictions does not compromise current United Nations' sanctions against Libya, which have focussed around an air and arms embargo. He says freezing political and diplomatic ties with Libya imposed in 1987 remains in place. The spokesman says Libya would have to comply with United Nations Security Council's resolution before Australia would consider restoring relations. A number of other European countries have resumed trade ties with Libya in recent years. [end recording]

Keating Pessimistic on Wool Scheme With PRC

BK2606063293 Melbourne Radio Australia in English 0500 GMT 26 Jun 93

[Text] Australian Prime Minister Paul Keating has admitted that his proposal for Australia and China to open up a new world market in the wool industry faces great difficulties. Ally Moore reports from Beijing that the proposal, together with calls for China to reduce the high tariff and quotas on Australian wool, has become a central focus of Mr. Keating's talks in China.

[Begin recording] [Moore] China's vice premier, Zhu Rongji, has agreed to seriously consider removing the trade barriers to Australian wool imports. As [word indistinct] Paul Keating says, it's a first step towards the development of a new world market: A low-cost, high-quality wool garment based on Australian wool and Chinese manufacturing. But he admits such a proposal is extremely ambitious.

[Keating] We found exciting prospects but whether it could be realized is another matter. Like most things, [words indistinct]. So, we look at the principle, and everything goes from there to see if we can go in the [word indistinct], into something practical. [end recording]

Keating: Reorientation Toward Asia 'Correct'

BK2706064293 Melbourne Radio Australia in English 0500 GMT 27 Jun 93

[Text] Australia's prime minister, Paul Keating, has ended a week-long visit to South Korea and China declaring the integration of the country's economy into Asia to be a reality rather than mere speculation and Mr. Keating says he's confident the government's push for regional integration is a positive move.

[Begin Keating recording] I think that Australia's natural neighborhood in commerce, trade, and tourism is of course Asia, the Asia-Pacific—but southeast and northeast Asia in particular—and just seeing the outward orientation of China now and its capacity to absorb the cultures of other countries, particularly in trade and commerce, gives me I think great confidence that Australia's, if you like, reorientation towards Asia is the correct one. [end recording]

Air Force To Buy 15 U.S. Fighter Jets

BK2906084893 Melbourne Radio Australia in English 0500 GMT 29 Jun 93

[Text] Australia is to buy 15 F-111B [as heard] long-range strike aircraft from the United States at a cost of Australian $78 million. Defense Minister Robert Ray says the American Air Force is currently taking a number of F-111 out of service providing Australia with the opportunity to buy aircraft at an attractive price. Senator Ray says the additional aircraft will be used primarily in an operational training role and the purchase will extend the life of Australia's current fleet of fighter jets to the year 2020.

Submarine Sales in Region Under Discussion

BK2406055093 Hong Kong AFP in English 0522 GMT 24 Jun 93

[Text] Sydney, June 24 (AFP)—Canberra is discussing with neighbouring Asian countries a plan to build and supply powerful new submarines potentially worth hundreds of millions of dollars in export revenue to Australia, officials said Thursday. Indonesia, Malaysia, Singapore, Thailand and South Korea are all said to have expressed an interest in the submarines.

Indonesia, which has two elderly German-built submarines, is currently the only Southeast Asian country with submarines in its navy, although Malaysia, Thailand and Singapore are reported to be interested in acquiring them.

Talks are also continuing with the designers of the Collins-Class boats, the Swedish company Kockums of Malmo, which would also make substantial royalties out of the arrangements. Six are being built for the Royal Australian Navy by the Australian Submarine Corporation in Adelaide at a cost of five billion Australian dollars (3.4 billion U.S.).

A spokewoman for Defence Minister Robert Ray told AFP the plan had been the subject of preliminary discussions with a number of Asian countries and these discussions were continuing.

"It is in line with our policy of cooperative defence industry projects generally," she said. It had also been the "focus of recent discussions between the minister and his Swedish counterpart in terms of a joint marketing proposal for the submarines.

Fiji

Premier Denies Breaking Promises to Labor

BK2906082293 Melbourne Radio Australia in English 0500 GMT 29 Jun 93

[Text] Fiji's prime minister, Sitiveni Rabuka, has denied that he has broken promises made to the Fiji labor party. South Pacific reporter, Erina Reddan, says Fiji's labor MPs [members of parliament] walked out of parliament last week claiming Mr. Rabuka had stalled on an agreement made a year ago.

[Begin recording] [Reddan] Under the agreement, labor supported Mr. Rabuka as prime minister in exchange for an immediate review of the racially-biased constitution and other guarantees. Labor says after one year nothing has been done. Speaking from Western Samoa en route home to Fiji to face the possible fallout, Mr. Rabuka said he's happy with the progress of the review and that Labor's walkout was simply a misunderstanding.

[Rabuka] It is sad that the Labor Party walked out before they clarify the position we took just before they walked out. And I am confident that (?we will be completing it) well in time for the next election.

[Reddan] Mr. Rabuka said he didn't expect to meet with Labor Leader Mahendra Chowdury on his return because labor was no longer a parliamentary player. [end recording]

New Zealand

External Relations Ministry To Change Name

BK2406072493 Melbourne Radio Australia in English 0500 GMT 24 Jun 93

[Text] New Zealand's ministry of external relations and trade is to change its name. The present name has been in use since 1988 and the New Zealand government says it causes confusion. From 1 July it will be known as the ministry of foreign affairs and trade.

Solomon Islands

Premier To Meet Visiting PNG Foreign Minister

BK2806093893 Melbourne Radio Australia in English 0800 GMT 28 Jun 93

[Text] Papua New Guinea's [PNG] Foreign Minister John Kaputin is in Solomon Islands for talks with its new prime minister, Francis Billy Hilly. The talks have concentrated on normalizing relation between the two countries. Their relationship has been strained by the effects of a separatist war being fought on PNG's island of Bougainville. Before he left for the talks, Mr. Kaputin said it was important that his government consolidated its friendly and strong relationship with Solomon Islands. Mr. Kaputin will also brief the Solomon Islands Government on arrangements on issues for the summit meeting of the Melanesian Spearhead Group in Rabual next month.